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BASIC INDUSTRY PROSPEROUS BUT BUSINESS IS DULL

Something More Than Good Crop Needed For Prosperity

CAPITAL UNEMPLOYED

Never in the History of Canada Has There Been Such a Big Balance of Savings Deposits Over Commercial Bank Loans

The improvement in the business situation this fall is definite but moderate. It has its foundation in the harvest which has not only been very satisfactory in Western Canada—apart from the recent decline in the price of wheat—but which has also been bountiful in the great mixed farming province of Ontario and has been generally good throughout the other provinces. The improved buying power of a large portion of the population is already having its effect in the movement of goods and, as stocks in the hands of retailers and wholesalers had generally been reduced to a minimum, the manufacturers should soon experience a moderate revival of demand. But it might be well to sound a note of warning against too great hopes so far as general industries are concerned. Improvement in demand, even though moderate, will of course bring direct benefits, but industry and business generally are also suffering from an indefinite tariff policy towards manufacturers and heavy burdens of taxation. The election may have the effect of clearing the air for business but hesitancy can be expected at least until after the voting. Another factor which may discount business improvement to some extent is that there are still a large number of manufacturing and other business concerns hoping for a return of business on a scale enjoyed during the later years of the war and for some time after, they have not yet adjusted their overhead expenses to a basis of a normal volume of business on close profits and therefore are not in a position to benefit fully from such business improvement as can be reasonably anticipated.

Industry is Curtailed

That conditions in Canada are not favorable to the prosperity of the general manufacturing industries and to business as a whole, and that it will probably take something more than a good crop to bring material improvement, is indicated in the banking situation. There has been a marked change for the better in regard to agriculture, the fisheries are prosperous, mine output is increasing and the industries dependent on forest products are doing reasonably well. These industries are largely responsible for the country's favorable balance of trade. The value of their output this year may easily total $500,000,000 greater than in 1924. But in face of this situation the depressed state of general trade and industry is indicated in the fact that current commercial loans from the banks are smaller by about $75,000,000 than a year ago, according to the latest government return. The annual report of the National Steel Car Corporation showing only 5 per cent. operation last year and a heavy loss to shareholders is indicative of the state of business in many lines of manufacturing.

The reduction of current bank loans not only reflects the trend of general business during the past year but the fact that such credits by the banks are smaller by about $375,000,000 than the deposits of the people is a striking indication of the curtailed financial requirements of trade and industry. At no time in the history of Canada have the business loans of the banks shown such a wide margin below the available deposits. In fact during the period of expansion prior to the war the commercial credits by the banks were as much as $280,000,000 greater than the public deposits. Nor is it likely that the financing of the crop alone will make a material change in this situation unless business improvement accompanies it, for experience has shown that even with the largest crops the marketing machinery is so effective that current loans are only increased to the extent of about $25,000 000 to take care of the transactions involved.

Imperial Oil Will Erect New Offices

Imperial Oil plans to enlarge its head office building in Toronto by the addition of a large structure at the corner of King and Church Streets. The old head office of the Toronto Railway Company is at present located on this site but will be torn down for the new structure which will have a frontage of 75 feet on Church Street and 50 feet on King Street.

The building will be of the same type of construction as the present office building on Church Street and will also be built of limestone. Construction will start this fall and tenders are now being asked.

Doles in Canada

British Wont-workers Offer to Migrate If Can Get Higher Doles Here

LONDON.—A story got into the press here recently that Canada was paying doles, with the result that a number of would-be immigrants have been calling at Canadian agencies and the steamship offices for particulars. A number of them asked frankly whether the scale of doles paid in Canada was higher than paid in England, and said they were quite willing to migrate if they could get a bigger dole in Canada than in this country. All went away very much disgusted to find that Canada was paying no doles and was not likely to even consider the proposal made in certain labor circles in Canada that doles should be paid. The generosity of the middle and wealthy classes in Britain to the less fortunate for several generations past has encouraged charity and loafing until now there are thousands of families who are professional charity seekers, ignorant of the first principles of economics, who believe, and are encouraged to believe by foreign agents—that governments can in some mystical way provide money.

PAY $55 FOR ST. LAWRENCE FLOUR COMPANY STOCK?

Western Canada Flour Mills Said to be Negotiating for Control

From Our Own Correspondent

MONTREAL. — Stock of the St. Lawrence Flour Mills is selling at around 36, as compared with a low this year of 27. At these higher prices, considerable stock is changing hands, moreover there is no improvement in the company's business which would account for the rise and the increased trading in this issue. All of which gives pretty good support to the story that the control of the company is about to change hands.

It is stated that the Western Canada Flour Mills is negotiating with the St. Lawrence interests to purchase control in the latter concern. Local gossip has it that the Western Canada interests are willing to pay as high as $50 a share for the controlling stock. D. B. Hanna is the president of the Western Canada Flour Mills.

This is manifestly a reasonable move, for out of the Western Canada's five mills only one is located in the east; it is at Goderich, Ontario. Obviously the company would have a hard time competing in Quebec and Eastern markets. If the report be true, the Western Canada Flour Mills are merely emulating the Lake of the Woods Milling, which this week purchased the Dominion Flour Mills, a local concern. This mill is the only plant which the Lake of the Woods Company operates in the East.

The St. Lawrence Flour Mills used to be controlled by a group headed by T. Williamson, but, it is understood, before the company passed its common dividend this spring, the actual control passed out of the hands of this group. The story here is that the reason for the strength in the stock lies in the fact that the interests back of the company, lacking its actual control, have gone into the open market to purchase it. This might be the natural thing to do in order that a definite price might be arrived at quickly.

It is thought that should the control be sold, the purchasers may offer the same price to the other shareholders.

TECK-HUGHES' RIGHTS NOT TRANSFERABLE

Company Lost Opportunity to Give Shareholders a Chance to Get Small Return

Teck-Hughes officials lost an opportunity to give shareholders consideration that might have netted them a little return for their long-time investment, in their announced plan for the sale of 227,000 additional shares of stock. The market has registered disappointment. For every 20 shares held, shareholders have the right to take up one new share. They cannot sell their fractional rights or transfer their full rights to others if they do not want the additional stock. For stock not taken up, the company has an offer to net $1.65 a share, the same price as shareholders are asked to pay.

Teck-Hughes shareholders have held on for many years for profits. If rights had been made transferable, shareholders would have been able to realize something in trading in them. It would not have cost the company anything. It is understood that what stock remains after Oct. 15 will be sold to a Toronto brokerage house which has been long associated with the stock.

BEATTY INCREASES ESTIMATE

REGINA.—E. W. Beatty, chairman and president of the Canadian Pacific Railway, places the crop now being taken off in this Province at 240,550,708 bushels. His estimate in early August was 208,000,000 bushels.

RUSSIA NOT BIG FACTOR IN WORLD WHEAT MARKETS

Not Economic Recovery Germany Would Have Canada Believe

BERLIN.—Anticipation that Russia will be a big factor this season in supplying grain to the European food importing countries is regarded as a factor in the recent material decline in the wheat prices. This impression is being created by the usual propaganda methods in which these interests have become so proficient. But in the authentic information being received regarding conditions in Russia there is little to lend substance to the idea and it would seem that Canada and other wheat exporting countries may become unduly alarmed in their desire to dispose of their crops quickly.

Russia is a great potential producer of grain and other foodstuffs but she has not yet recovered from the economic collapse brought about by the experiments with Bolshevism to become an important wheat exporter. instead there are increasing thousands of the population relapsing into primeval civilization, and living within themselves.

Not only is production still at low ebb because of the attitude of the peasants towards the so-called government but physically the transportation system, so important in such a vast country, is in such condition that commodities can only be moved with great difficulty even when available.

For some years now the peasants have had experience with a system of government which confiscates all their surplus production in the name of the state. The result is that they are growing only sufficient grain and raising enough live stock to provide for their own individual needs. In fact feeling against the Bolshevist agents who have been enforcing the orders for confiscation has been running so high that many of them have been murdered by the peasants.

Then, as to the railroads. There have been no expenditures for equipment, with the result that operating efficiency has been brought to a very low ebb and great stretches of branch lines have been taken up in order to provide rails for the main lines, while the supply of rolling stock has been decimated. What this means could easily be appreciated by people in a country like Canada, where the farm export business is so dependent on efficient transportation.

The truth of the Russian situation seems to be that as yet the people are not producing for export in any big way and that they could not get their products to market if they had them and were willing to ship, excepting along certain main systems of rail and water transport.

Canners Shares Are Listed at Montreal

Steady accumulation of Canadian Canners' issues, which has been going on since the new stock was listed in Toronto, is likely to be accelerated by the listing of the shares in Montreal. The preferred is now selling around 56¾ and there is about 15 per cent. dividend arrears. The expectation is that early in 1926 the stock will go on 4 or 5 per cent. dividend basis. The outlook is better this year than last as the pack is much better. Earnings for 1924 were 5 per cent. on the preferred, with a much smaller pack.

Election Forecast

Estimate Compiled for Big Business Organization Gives Meighen Small Majority — Possibility of a New Election With New Leaders

OTTAWA.—The following forecast of the result of the voting on October 29 has been compiled for one of the country's biggest business organizations whose directors are interested in the result from the standpoint of business rather than of politics. The information on which it is based has been secured from all parts of the country and from sources close to all political parties:

	Conservative	Liberal	Progressive
Nova Scotia	10	4	..
New Brunswick	7	4	..
Prince Edward Island	3	1	..
Quebec	16	49	..
Ontario	64	18	..
Manitoba	8	3	6
Saskatchewan	2	3	16
Alberta	3	2	11
British Columbia	10	4	..
Yukon	1	..	..
	124	88	33

Giving Conservatives majority of three over Liberals and Progressives.

This forecast may be taken as evidence that the possibility of a close vote is being seriously considered and that the guiding powers of the various parties are interested not only in the election but in the situation which may be created immediately following it.

Premier King is credited with the statement that unless he is returned to power with a good majority he will immediately again appeal to the country. However, if he fails to score a decisive victory Mr. King will lose the support of prominent Liberals in Ontario and in other provinces and his resignation as leader is likely to be asked for. In that event Premier Taschereau of Quebec, or, as second choice, Premier Dunning of Saskatchewan, would probably be invited to assume the leadership with the prospect of sweeping the country as the result of this change. On the other hand, the Conservatives, if seeking a new leader, in the event of a non-decisive vote, would probably look to Premier Ferguson of Ontario, whose constructive policies have been winning him many friends, although lately the name of C. A. Magrath, the new chairman of the Hydro board, has been prominently mentioned. All are agreed that the latter has ability and character but has no administrative experience or record.

ELECTION HIGHLIGHTS and SIDELIGHTS

King's Offer to Finish Hudson Bay Line Causes Many Liberals Concern

Even Western Farmers Not Unanimous for the Line—Robb and Massey Speak on Tariff But Views Differ Somewhat — Forke Starts Campaign

THE most important political development, not only of the week, but in the whole election campaign, in its far-reaching effects, has been the prime minister's Neepawa, Man., promise to immediately complete the Hudson Bay Railway, on condition that the West elected enough Liberals to bring him back to power.

The announcement caused grave disappointment among Liberals generally, and some consternation among those who understand the taxation commitments of such a policy.

Moreover, the move is talked of by Mr. King's sincere friends as a great tactical error, both because of the unmoral condition attached and because the West itself is not unanimously convinced that the road is economically sound, and that, in any event, the spending of any more money on new railway and harbor construction at this time would be unwise.

In proof of this, The Financial Post is informed that at the last annual meeting of the Canadian Council of Agriculture, when the Manitoba delegates brought forward a resolution favoring the Hudson Bay Railway, the only active support they received came from a section of the Saskatchewan delegates; southern Saskatchewan, all Alberta, and the farmers generally being opposed or indifferent, although the resolution finally went through. An indication of the probable additional burden the country would be called on to assume came from the Manitoba delegates, who argued that they had assurances that the cost was under $50,000,000. As another pointed out, based on experience, that would entail an addition of $150,000,000 to the national debt, which would involve, with interest and sinking fund, at least an additional $10,000,000 annually, or, roughly, additional taxes of $5 per family per year for every family in Canada for the next 42 years.

Eastern business men of both parties are sympathetic towards the demands of certain parts of the West for the completion of the line, but they are inclined to feel that all railway construction works, however merited, should be halted until more progress has been made in reducing present railway deficits and present high taxes.

Farmers Not Unanimous

Nor is there any assurance that the Progressives themselves are united for the Hudson Bay Railway. There is evidence that Alberta farmers are opposed to the route, as they are now looking westward; that Saskatchewan is divided, and that Manitoba Progressives, alone, approach unity in demanding the line.

The difference between the premier's stand and eastern Liberals' stand on the Hudson Bay Railway question is just another evidence of the fact that complete harmony of viewpoint can never prevail within the ranks of any party, and when different speakers for the same party air different views on national questions, it is not necessarily true that the speeches are being written for the part of the country where they are being delivered.

Addresses of Massey and Robb

During the past week, very able addresses were delivered by two of the government's leading supporters, and these were somewhat different in tone. Hon. Vincent Massey deliv-

(Continued on page 5)

Hat Creek Coal Stock Offering Backed by Misleading Statements

This is Warning B. C. Minister of Mines Issues to Public—Questions the Tonnage of Coal That Has Been So Far Proven.

Unfair presentation of mining propositions to the public is getting short shift in British Columbia. Recently Hon. William Sloan, minister of mines, exposed the unfair statements of two companies and now he comes out with a statement in regard Hat Creek Coal Co. which has been selling stock to the public. His statement is in the nature of a warning to the public that the company has been circulating statements about their property not in accordance with the reports of the government engineers.

In taking such a step, the British Columbia Minister of Mines is invoking the Mineral Act to protect investors. In presenting their proposition, Hat Creek Co., in advertisements, state:

"According to reliable reports, the diamond drills now operating at the Hat Creek field have proven a body of coal that covers six square miles. Not only is it six miles square but it has been proven to have a depth of over 500 feet, or, it is estimated that this one block contains 900,000,000 tons of subbituminous, closely verging on bituminous coal."

The government engineer attacks these statements, contending that the amount of proven coal is much smaller. He says:

"It has not been proven that the deposit contains six square miles (or six miles square) of coal with a depth of over 500 feet. My investigation shows that, at the present stage of the development of this deposit the actual proven coal, exclusive of shaly coal, does not exceed 14,000,000 tons. The figure of 900,000,000 tons is therefore misleading."

The question of quality seemingly enters. The promoters on this point are alleged to say, "900,000,000 tons of sub-bituminous, closely verging on bituminous coal."

The said acting resident engineer, commenting on the foregoing, states:

"By applying Dowling's Split Volatile Ratio to the above analysis, the numerical value of the ratio is 1.69 and the coal is therefore classed as a lignite."

Massey-Harris Plans in France Are Significant to Canadians

PARIS.—The action of the Massey-Harris Company of Canada in buying some time ago land in France for the erection of a plant to manufacture farm implements is regarded here as evidence of the realization on the part of the executive heads of that company that France will be successful in her plan to feed herself to a greater extent, in fact to be completely independent of all foreign markets for cereals.

With increased grain production by the European countries, there will be a wider market for farm implements which the Massey-Harris Company evidently appreciates.

* * * *

Shareholders in the company will be interested in this plan to get a larger share of European business, and this can be coupled with the political move of President Massey which is evidently designed to make the company's products more popular with Canadian farmers. But the question may be asked as to whether it would not be in the interests of the Canadian farmer to build up a stronger home market through the encouragement of Canadian industry if the European countries are going to take less of Canada's farm exports.

TO COMPLETE FLOUR MILL

CALGARY.—Construction on the completion of the milling plant being built by Spillers of England, has been started, and the plant will be ready to handle the crop of 1926. The completion of the plant will cost $800,000 and there will be $2,000,000 in machinery.

MENACE TO UNITY IS CAMPAIGN CARD AGAINST TARIFF

Effectively Used by Speakers in Both West and East

THE WEST IS LOYAL

Great Body of Farmers as Land Owners Are Opposed to Principles of Communism —Better Times Wipe Out Discontent

(Special Correspondence)

REGINA.—The menace to Canadian unity that might result from the adoption of a higher protective policy by the federal government and the encouragement thereby of Bolshevist and Communist propaganda in the western provinces is being used as a factor in the present election campaign in the West, as it has been used by some of the speakers in the East. There are certain indications that it has been agreed upon by the government campaign managers as an effective method of consolidating the West against the Meighen tariff program, and as an argument in the East for moderate protection as a national policy.

Since the Winnipeg strike — and before—the Reds have carried on an aggressive campaign in western Canada with a certain measure of success. They have not by any means desisted in their efforts, but the determination of the great body of citizens of Winnipeg to put down the uprising of a few years ago, and the sane attitude of the great body of farmers, who are for the most part land owners and capitalists, has served to check the activities of the trouble-makers and malcontents. There will always be a certain amount of unrest so long as men like Malcolm Bruce and Batholomew of the Communist party of Canada, Williams, of Semans, Sask.; Bolton, who visited Moscow this year; J. W. Robson, and others are taking an active part in certain farmers' organizations, even though those organizations are not recognized by the rank and file of the agricultural community who belong to the established bodies of Grain Growers, or the United Farmers.

Little Talk of Secession

But there is no indication of a crisis in western Canada, no matter what the result of the election may be. There is no more talk of secession to be heard west of the Great Lakes than east of the Great Lakes for that matter—and perhaps not so much as in some parts of the Maritimes. There are a few radicals who talk of free trade, and there is a pretty general conviction that the tariff is in the interests of the East rather than of the West, directly at least, but there is also recognition of the fact that the tariff has a fixed place in Canada's economic structure and that it will continue as a feature of the national policy of any party that can attain control of the government. For this reason the Progressives will probably poll a considerably smaller vote in this election than in the last—the people would rather vote for a party that has a chance of assuming power.

Discontent in the West has been largely fomented by outsiders, and the British agitators have been quite as active as those from Continental Europe, and even more active than those who have come over from the United States. But the great body of the British and American settlers, like those from eastern Canada, have become citizens of the highest type in whose hands the future of the country can safely be trusted. As for the spirit of unrest, it was encouraged quite as much through depressed conditions—low prices, small crops and lack of profits—as by the activities of the agitators, and with the new era of reasonably prosperous conditions on which the West has now entered, it has already largely disappeared.

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The Business Outlook in Canada

Conducted by H. M. CAMERON, Statistical Editor, The Financial Post.

CANADA'S YEARLY BILL FOR FOODS IS $900,000,000

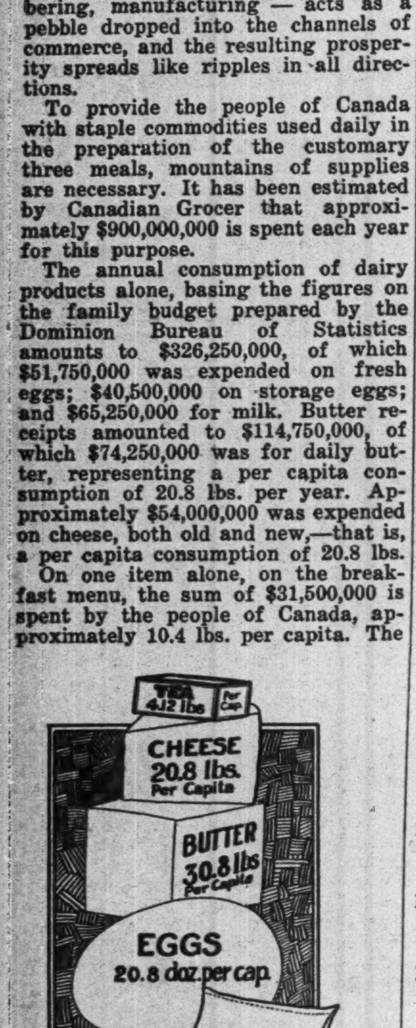
Some Idea of the Big Business Involved in Mere Eating

The multifarious activities clustering around the development of our natural resources, make their demands on all the sources of supply in the areas in which they are located. The development of these resources, whether agricultural, hydraulic, lumbering, manufacturing — acts as a pebble dropped into the channels of commerce, and the resulting prosperity spreads like ripples in all directions.

To provide the people of Canada with staple commodities used daily in the preparation of the customary three meals, mountains of supplies are necessary. It has been estimated by Canadian Grocer that approximately $900,000,000 is spent each year for this purpose.

The annual consumption of dairy products alone, basing the figures on the family budget prepared by the Dominion Bureau of Statistics amounts to $326,250,000, of which $51,750,000 was expended on fresh eggs; $40,500,000 on storage eggs; and $65,250,000 for milk. Butter receipts amounted to $114,750,000, of which $74,250,000 was for daily butter, representing a per capita consumption of 20.8 lbs. per year. Approximately $54,000,000 was expended on cheese, both old and new,—that is, a per capita consumption of 20.8 lbs.

On one item alone, on the breakfast menu, the sum of $31,500,000 is spent by the people of Canada, approximately 10.4 lbs. per capita. The



The above illustrates the comparative consumption in Canada of seven of the staple articles of foodstuff.

bill for lard used in Canada in one year approximates $41,000,000.

The milling companies and the bakers during the past year found that business amounting to about $160,000,000 was done in flour and bread stuffs, of this amount, $47,250,000 was spent on flour, — a per capita consumption of 104 lbs., and $103,500,000 was consumed in bread,—approximately 156 lbs. per person.

Breakfast foods in themselves, show enormous receipts during the past year, $27,000,000 having been expended in rolled oats alone. Sugar and rice are also important items among the staple commodities, and constitute a large share in Canada's food bill.

It has been estimated by Canadian Grocer that $55,000,000 was spent last year for sugar, — allowing approximately 81 pounds per person.

Fruits and vegetables, of course, form a large part in any family budget but for this article, only staple kinds have been chosen. Potatoes consumed last year amounted to $40,500,000 in value; beans, $15,750,000; evaporated apples, $18,900,000; and prunes, $13,500,000.

Canada's tea and coffee bill is also a large item on the annual grocery list. A per capita consumption of 4.12 lbs. is responsible for the expenditure of about $20,000,000 on tea alone. Coffee is also consumed in large quantities, resulting in the spending of nearly $14,000,000 in a year or about 2½ lbs. per capita.

U. S. STRUCTURAL STEEL SALES

WASHINGTON.—The department of commerce announces sales of fabricated structural steel for August as 79 per cent. of capacity, based on total bookings of 196,647 tons reported by fabricators with a capacity of 247,430 tons per month, as against July bookings of 83 per cent. of capacity. Shipments of fabricated structural steel in August represented 83 per cent. of the capacity of firms reporting this item, as against 85 per cent. in July and 70 per cent. a year ago.

General Betterment in August Business

WASHINGTON.—Further reports to the department of commerce on business conditions in August indicate increases over July in the principal industrial indicators, such as the production of anthracite and bituminous coal, beehive coke, lead, Douglas fir and yellow pine lumber, and paving brick, as well as building contracts awarded, both in floor space and value. Decreases from July occurred in the production of silver, by-product coke, northern and western pine lumber, steel barrels, finished goods, and newsprint paper, as well as in spindle activity in cotton mills and bookings of fabricated structural steel. Postal savings, new insurance business and savings in New York state banks showed increases, while sales of ordinary insurance and bank clearings declined.

In comparison with August, 1924, all items showed substantial increases, with the exception of bank clearings in New York City, postal savings, and the production of silver.

Industrial Output Higher in 1923 But Far Below 1919

OTTAWA.—The seventh annual report on the manufacturing industries of Canada for the calendar year 1923 is presented by the Bureau of Statistics. The number of establishments from which reports were received rose from 22,541 in 1922 to 22,642 in 1923 or a net increase of 101.

The total invested capital rose from $3 244,302,410 in 1922 to $3,380,322,950 in 1923, being an increase of $136 020,540 or 4.2 per cent. Of this investment $2,165,497,811 constituted fixed capital (lands, buildings, machinery, etc.) and $1,214,825,129 working capital (materials and finished products on hand, miscellaneous supplies and cash, trading accounts, etc.)

The number of persons employed in the manufacturing industries of Canada in 1923 was 533,905 of whom 408,606 were males and 125 299 were females. Of the total number 78,273 were employed on salaries, 446,994 on wages and 8,638 as piece-workers outside the establishments. In 1922, the total number employed was 480,525 of whom 76,040 were on salary, 398,390 on wages and 6,095 as outside piece-workers.

The total payments for labor for the year amounted to $573,095,870 of which $142,738,681 was expended for salaries, $428,731,347 for wages and $1,625,842 in payments to outside piece-workers. Compared with 1922 there were increases in the amounts paid for salaries of $6,519,510, wages of $54,519 206 and outside piece-workers of $341,405.

The total cost of materials, whether raw or partly manufactured, used in 1923 was $1,470,140,139, an excess over the year 1922 of $189,613,060 or approximately 15 per cent.

Value of Products

The gross value at the mill or factory of all goods manufactured during 1923 amounted to $2,781,165,514, an increase over the previous year of $341,321,748 or 12.27 per cent. The net value of production or the value added by manufacture, obtained by deducting the cost of materials from the gross value of production in 1923 amounted to $1 311,025,375 as compared with $1,198,434,407 in 1922 or an increase of $112,590,068 or 9.4 per cent.

However, even with the increase referred to, the total value of products was much smaller in 1923 than in the years 1917 to 1920. In the latter year for instance the total value was $3,667,000,000 and other figures were in proportion.

COMPARATIVE STATISTICS OF MANUFACTURES, 1922 AND 1923

In the table following, comparative data of the principal statistics of the manufacturing industries of Canada are presented, and they show that in every item there have been steady increases. The percentage of net value to gross value of production fell from 48.24 in 1922 to 47.14 in 1923, a decrease of 1.14 per cent. due to the higher cost of materials in the latter year.

Principal statistics		1923	1922	Increase
Establishments	No.	22,642	22,541	101
Capital invested—				
Fixed capital	$	2,165,497,811	2,086,175,767	79,322,044
Working capital	$	1,214,825,139	1,158,126,643	56,698,496
Employees on salaries—				
Males	No.	61,677	59,740	1,937
Females	No.	16,596	16,300	296
Total salaries paid	$	142,738,681	136,219,171	6,519,510
Employees on wages—				
Males	No.	344,453	305,819	38,634
Females	No.	102,541	92,571	9,970
Total wages paid	$	428,731,347	374,313,141	54,519,206
Outside piece-workers—				
Males	No.	2,476	1,597	879
Females	No.	6,162	4,498	1,664
Total payments	$	1,625,842	1,284,437	341,405
Power employed	H.P.	5,077,456	4,774,511	302,945
Cost of fuel	$	58,736,938	54,638,475	4,098,463
Cost of materials	$	1,470,140,139	1,283,774,723	186,365,416
Gross value of products	$	2,781,165,514	2,482,209,130	298,956,384
Net value of products	$	1,311,025,375	1,198,434,407	112,590,968

In Earlier Years

	1921	1920	1919
Establishments	21,872	22,942	22,899
Capital	$3,052,818,103	$3,208,613,715	$2,932,916,880
Employees	439,889	538,112	578,733
Salaries and wages	$498,430,750	$695,216,542	$578,789,251
Value of products	$2,516,977,811	$1,162,041,572	$3,170,842,586

Shipments of Wheat and Coal Swell Loadings

OTTAWA.—With the heavy movement of grain in the western division and coal being loaded quite freely at the mines, car loadings continue to increase aggregating 73,019 cars for the week ended September 19. A year ago the loadings aggregated 63,324 cars and for the corresponding week in 1923 only 68,705 cars. The holiday the previous week affected the loadings and comparisons with last week's loadings are also affected but compared with 1924 loadings, substantial increases were recorded by grain, pulpwood, pulp and paper, ore, and miscellaneous freight.

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(31st December, 1924.) ($5=£1.)
DEPOSITS, &c. $1,707,171,660
ADVANCES, &c. $823,571,655

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1926 BUSINESS WILL DEPEND ON TRADE POLICIES

Some Signs of Credit Inflation in the United States

NEW YORK. — Expectations of active autumn business are now in process of realization. Wholesale and retail trade are excellent, industrial output is being maintained at high levels, and the volume of business done during the last three months of this year will probably exceed that for the corresponding quarter of any year since 1919.

With good fall business assured, the centre of interest is now what is in store for 1926. The possibilities for next spring will be determined in large measure by whether current policies as to production and merchandising show wisdom and restraint, says the National Bank of Commerce. Thus far in 1925, American business has been notable for its intrinsic soundness. Merchants and manufacturers have been disposed to play safe, buying from hand to mouth and holding inventories down. Consistent and successful efforts have been made to increase profits by paring costs and by emphasis on rapid turnover. Determined resistance has been offered by manufacturers to advancing prices of raw materials and to demands for wage increases for the reason that higher prices of finished products have been promptly reflected in curtailed demand, while in many lines consumption has made gains on the basis of lower prices.

Big Sales On Credit

Retail trade has been good in most urban communities throughout the year, primarily because of satisfactory conditions as to employment in industry and in building and construction, and there is no reason to doubt that it will continue active through the holiday season. A factor to be considered in relation to it, however, is the volume of purchases made on credit, the leading form of which is buying on the installment plan. There is no doubt that an important proportion of the urban population of moderate means is already obligated heavily for installments on homes, automobiles, radio outfits, furniture, and even clothing.

The fact that urban consumption has long been at a high rate is an element of great importance in connection with prices. When buying has long been restricted and purchasing power becomes available, buyers are likely to be more willing to follow prices up than when their wants are already well satisfied. The latter condition now prevails and this, coupled with heavy current demands on resources arising from instalment purchases, should bring prompt resistance to advancing retail prices.

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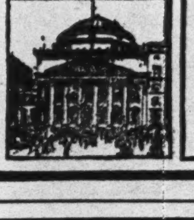

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BIG MARKET FOR OUR LUMBER AND WHEAT IN JAPAN

Canada Has a Natural Advantage in This Export Field

From Our Own Correspondent

VANCOUVER.—Those who have recently made an intensive study of the Japanese market declare that Canada is the logical source of most of that country's lumber and wheat and that it will continue to occupy that position as long as Canadian exporters are wise enough to recognize their natural advantage and see that it is played with maximum effect.

Japan has bought 150,000 tons of Canadian wheat from the present crop, which is three times the volume purchased last year. It is sufficient to keep Japanese mills running until December, when the Australian crop reaches the market. Whether Canadian wheat will be able to hold its own with the Australian product in view of the latter's lower price is a debatable point, but a marked preference has been shown in Japan for Canadian wheat because of its superior quality.

Japan is not likely to place many large orders in Canada for flour, because it has developed its milling industry to a notable extent in recent years. In fact, the daily capacity of these mills is now estimated at 30,000 barrels of flour daily, with steadily increasing sales of flour to China. Siberian wheat will never be a serious contender against Canadian wheat. The crop was a failure in Siberia and Manchuria again this year and both these countries are abandoning wheat in favor of wheat and peas.

Nor will British Columbia ever be faced with serious competition from Asiatic countries in supplying Japan with lumber, in the opinion of such trained investigators as A. E. Bryan, Canadian trade commissioner in Japan, who recently returned here on his way to Ottawa to assume his new duties as inspector of foreign trade for Canada.

Lumber from Siberia is not favored for substantial construction purposes, says Mr. Bryan, and while Japan has not been buying much lumber in Canada lately its purchases of the Siberian product have declined similarly. Canada has shown its ability to undersell the Russians in lumber and this, coupled with the superior quality of the product, is a decisive factor. Mr. Bryan expects the demand for Canadian lumber to show big improvement in Japan in October. Decline in the yen is at present one of the principal trade obstacles.

Incidentally, Mr. Bryan believes that Japan is capable of absorbing the entire output of British Columbia's recently established fish fertilizer industry.

WHEAT GRADES WELL IN SASKATCHEWAN

Cutting is About Completed, But Weather Has Interfered With Threshing

From Our Own Correspondent

REGINA.—A small acreage of green feed and flax still remains to be cut, otherwise cutting is completed throughout the province, according to telegraphic reports received by the statistics branch of the Saskatchewan Department of Agriculture. Threshing is well advanced in the southern part of the province with possibly 70 per cent. completed. In the northern districts about 50 per cent. is completed. The wheat is turning out quite as well as expected. Showers during the last two weeks have retarded the progress of threshing, and rain and snow on September 26 and 27 delayed operations in many places in the southern part of the province two or three days.

In several districts the grade of wheat has been lowered by bleaching due to the wet weather, but in spite of this fact the wheat marketed is grading very well, a large percentage going No. 2 northern or better.

The potato crop is well up to the average. The corn crop is also up to the average, and considerably better than last year.

Only a small amount of fall ploughing has been done in any district and several report fall ploughing has not yet started. Pastures are in fair condition and live stock are doing well.

Canadian Conditions

	1925	1924	
Car Loadings—			
Week Sept. 19	73,019	63,324	+15.3%
Yr. to date	1,981,784	2,014,432	— 1.6%
Grain Receipts—	1925	1924	
Aug. 1 to Sept. 18	23,138,811	6,107,181	+279.0%
Building—	1925	1924	
August	8,201,034	$8,387,216	— 2.2%
Bank Clearings—August—	1925	1924	
	$1,059,700,133	$1,072,225,780	— 1.1%
Savings Deposits—Chart. Banks—	1925	1924	
July	1,255,005,214	1,189,156,166	+ 5.5%
Current Loans—By Banks—	1925	1924	
July	881,253,805	973,413,984	— 9.4%
Net Dominion Debt—Aug. 31—	1925	1924	
	2,366,923,600	2,387,517,638	— 0.8%
Wheat, No. 1, Nor. Winnipeg—	1925	1924	
	Sept. 28, $121⅜	Sept. (Av.)	$1.42
Railway Earnings— 8 Months—	1925	1924	
C. P. R.	$105,765,016	$113,864,715	— 7.1%
Oper. Exp.	90,396,713	97,966,478	— 7.7%
Net	15,368,302	15,898,236	— 3.3%
C. N. R.	146,661,997	153,173,166	— 4.2%
Oper. Exp.	138,276,305	149,244,802	— 7.3%
Net	8,385,692	3,928,364	+113.4%
Balance of Trade— 12 months, August 30—	1925	1924	
Exp.	$1,130,753,557	$1,060,105,482	+ 6.6%
Imp.	837,761,939	833,615,913	+ 0.4%
Bal.	292,991,618	226,489,569	+29.4%

Sugar Refineries Keep Production Records Up

From Our Own Correspondent

MONTREAL.—The better business which has been experienced by the sugar refineries this year continues. During the four weeks' period ending September 12, the companies manufactured 89,325,686 pounds as compared with 55,932,946 pounds during the same period in 1924. This makes a total production for the year up to September 12, of 825,557,602 pounds and compares with 596,851,401 pounds in the corresponding period of 1924.

The exports of sugar also continue their upward trend and during the month of August there were exported, principally to the United Kingdom, 36,744,600 pounds of sugar valued at $2,254,671. This compares with exports during August, 1924, of 14,346,700 pounds valued at $1,091,824.

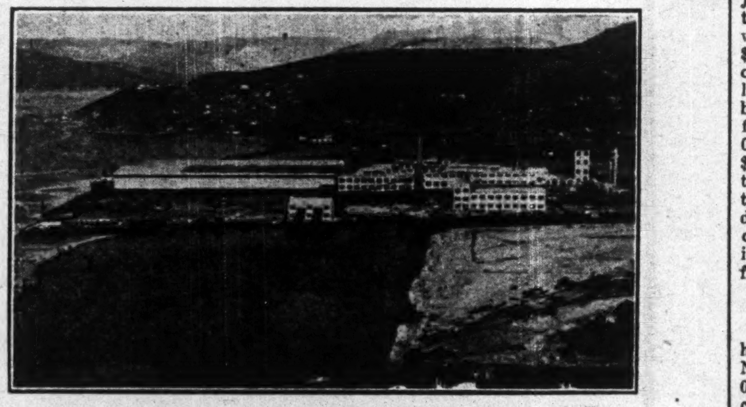
Newfoundland Settles Down to Develop Her Vast Resources

Canada's Nearest British Neighbor Has Entered Upon an Era of Large Scale Development of Her Rich Natural Wealth

By W. A. DONER.

Few in Canada realize the full significance of recent indications of industrial and commercial progress in the sister Dominion of Newfoundland. In the centre of the trade world and readily accessible to all the most important trade lanes, Newfoundland has a strategically favorable trade position. She has ready access to the markets of the world. Furthermore, her huge wealth of latent natural resources is just beginning to be appreciated, and development on a large scale is under way. Thousands of tourists from the United States and Canada are just learning of the natural beauty and sporting potentialities of the island, and the tourist industry promises to be an increasingly important one. Linking up all these factors, the government is spending millions upon highway construction, while hotels are being built to keep pace with the development in other directions.

The fishing industry still maintains its position of paramount importance. The total annual revenue from the industry during recent years has been in the neighborhood of $10,000,000, and some of the by-products such as cod oil are being developed into remunerative industries. The fish catch is good this year and prices are better than for some years, so that the total revenue from the industry should be very satisfactory. Dried codfish is the largest staple product. Seals and seal oil, lobsters, salmon, herring and whale are responsible for the balance.



Newfoundland's Newest Pulp and Paper Mill

Cod oils are being very carefully analyzed of late, since it is claimed that Newfoundland cod oils have a higher percentage of vitamines than any other in the world. At the present time certain expert analysts from New York are making investigations with a view to the more intensive development of this promising industry. A large plant is already being built at Harbor Grace for the manufacture of this product by the use of a new freezing process, and thoroughly modern machinery is being installed.

Power Plentiful and Cheap

Far more important from a standpoint of future development along industrial lines is the almost unlimited volume of available water power. Among other developments is that of the Reid interests along the Gander River. This source promises to produce a vast amount of power for various branches of manufacturing. A highly important factor in the Newfoundland power situation is that there is abundance of power available at tidewater. This eliminates the difficult trans-shipment problem which most countries have to face. The power is available at points where the raw materials can be brought in by water, and where the finished product can be shipped out.

The available power means much to all branches of industry, but most, probably, to the pulp and paper industry. Pulp products in 1924 aggregated something like $7,500,000 and judging from the present progress that is being made, and from developments under way, the figure for 1926 will be nearer $15,000,000. The new plant at Corner Brook will be responsible for a large part of the increase. Newfoundland has produced paper for a long period. The annual output has been increasing steadily but slowly. With the recent new in-

NEWFOUNDLAND'S ADVANTAGES

Newfoundland has one big advantage over many other countries in the development of her industries. Her water power resources are enormous, and the sources of power are sufficiently near tide-water to eliminate the costly land haul and transshipment which adds so materially to the cost of goods elsewhere.

stallations there is reason to look for a rapid expansion both in pulp and paper output.

Many smaller industries as well are showing signs of expansion. The chief factories are located in St. John's. Among these are boot and shoe plants, clothing plants, woollen goods factories, paint and woodworking establishments, and various lumber industries. The town of Harbor Grace is also coming along industrially. There are three shoe factories in Harbor Grace, all prosperous, and all turning out a splendid class of goods. The value of all manufactured products exported in 1922-23 was $5,427,809. St. John's factories disburse annually about $3,000,000 in wages. Five clothing factories in St. John's employ a total of 500 persons on their staffs and spend about $250,000 per year in wages. The yearly output of four St. John's shoe factories is 320,000 pairs of boots and shoes. All this goes to show that there is a nucleus in Newfoundland of a prosperous and expanding manufacturing industry.

Mines Have Big Future

The mines of Newfoundland, although developed only in a more or less superficial manner to date, contain rich beds of ore and seem destined to be of very great importance just as soon as they can be developed economically. There are rich stores of copper ore which is reasonably accessible. The Dominion, moreover, has the most extensive deposits of iron ore so far discovered anywhere. The Bell Island deposits, which are being developed by the Nova Scotia Steel and Coal Co., and the Dominion Iron and Steel Co., are estimated to contain a total of 2,000,000,000 tons of ore. Mining operations are being conducted under the sea at a distance of 8,000 feet from the shore and at a depth of 1,000 feet below the floor of the ocean. There are also rich coal deposits. The committee of experts at the geological conference in Toronto in 1913 gave as their opinion that the Newfoundland coalfields contained some 500,000,000 tons. Oil shale deposits are said to underlie a huge area.

As already indicated, tourists are just becoming acquainted with the fact that Newfoundland offers unlimited opportunities for the sportsman and for the general summer outing. In the past the highway situation has been unsatisfactory, but the government has done much to ratify this, having recently authorized the spending of $2,000,000 on road improvement. In addition, more than $1,500,000 has been spent on rehabilitation of the railways and improvement in the rolling stock.

Probably the most important feature of the tourist industry is not the money that the tourists leave in the country. At least, it is not this only. A very important feature is that tourists become acquainted with the island and its huge latent possibilities, and in many instances, invest large sums of money in the various developments. This is what Newfoundland needs, as her people have not yet accumulated capital in sufficient quantities to meet all the requirements of developing industry in a young country. One indication that the value of this is fully realized, is the construction of a huge, thoroughly modern hotel in St. John's. This hotel, which is now in course of erection, will cost $800,000 and will meet a much felt need.

Newfoundland is awake to her great potentialities and to her enormous national wealth.

Refund of Income Tax Helps Hearst Shareholders

WINNIPEG.—Funds realized from the assets of the Hearst Music Publishers of Canada, Ltd., have been only sufficient to pay the preferred claims and the judicial administration expenses, but the trustee, the Traders Trust Company was successful in obtaining a refund of $19,000 from the Dominion government of certain of the income taxes previously paid and subsequently proved to have been overpaid. Total claims of creditors filed amounted to approimately $208,000, but this amount was reduced to $34,000. As a result of the reduction of the liabilities and of securing the return of taxes it has been possible to distribute an interim dividend of 40 per cent. Owing to several actions pending it is impossible to estimate what further dividend, if any, may be paid.

TAKE IRRIGATED FARMS

LETHBRIDGE, — About 100 farmers have taken land in the Lethbridge Northern Irrigation district. About 60,000 acres in this scheme are now under crop, an increase of 20,000 acres over the estimate for 1925.

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The Securities Markets

CAUTIOUS MARKET MOVEMENT DUE TO RAID AT NEW YORK

Professional Element Got Busy and Trading Narrowed Considerably

Market Indicator
20 Industrial Stocks

	High	Low
Week of Sept. 30	83.4	81.3
Week of Sept. 23	82.9	80.7
Mth. of Sept., '24	70.8	67.5

Traders seem to have been acting with caution during the past week. Market movements have been confined to rather narrow limits, but a close analysis shows that the underlying tendency was further upward. Trading was in and out. It was really hard to judge the trend of events so closely was the price margin and so narrow the interest. Brokers seem to think that the little irregularity which developed at New York may have had something to do with the situation. Their advices are that the bearish tendency which made its appearance at Gotham was of the professional variety. Such reactions or bear raids are to be expected to come forward from now on with constantly narrowing intervals. The movement they say is still upward but before a definite break comes, there will be many warnings from the market in the shape of these slight reactions. These they say will increase in severity until finally they turn the market into a definite downward trend.

Watching Collateral

The following report from New York may be taken as indicating the feeling in some quarters in regard to the market's position. It shows that stocks are high and a break is expected:

"It is an open secret in the financial district that some of the bankers whose institutions make loans on Stock Exchange collateral are beginning to look down their noses at the price at which some of the stocks are selling. Many bankers have wasted no time in taking action. Most of them have written their loans down quite sharply. For instance, in one stock selling in the neighborhood of 170, on which most banks were willing to lend 60 per cent. of the 150 until the last day or so, the collateral has now been written down to 110 in the envelopes. Some Stock Exchange houses do not like this writing down, but the lenders appear to hold the whip hand."

Banks in Demand

A heavy buying of bank shares developed during the week and there were advances recorded by 8 of the 9 active stocks. The paper group was up and down within a narrow margin. The Utilities group was in for one of its periodical weeks of disfavor while the traction shares were quite strong and sold mostly at higher levels. Steel shares continued their fairly consistent position, there being a few fractional declines.

The Textile group has been weak of late. This was not unexpected as the bulk of such issues have been moving up steadily since the first of the year. The past week saw them all rally however, and recent losses were more than made up and the week closed with the shares strong.

The industrial issues were up and down. The active issues were those subject of some special news. There were no severe declines.

Group	Gains	Loss	Unch.	Ttl.
Banks	8	1	..	9
Paper	5	5	3	13
Steel	5	5	7	17
Milling	4	5	5	14
Utilities	1	6	8	15
Tractions	7	5	3	15
Textiles	9	2	3	14
Industrial	18	22	18	58
	57	51	47	155

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Advance Movement is Renewed by Smelters

On the strength of a new buying movement, Smelters again passed the 120 mark this week. The floating supply of the stock is evidently small. The company's earnings are undoubtedly most impressive and promise big things for the shareholders, but conservative investors will not lose sight of the fact that the stock has a par value of only $25 and that it will require most handsome treatment in the way of dividends of stock bonus to bring an attractive return on the investment at the present market price. There is every indication that there is a strong speculative factor in the present ticker valuation. There can be no two opinions regarding the company's bright outlook, but there is always a danger in over-optimism in discounting the future of a mining or industrial project.

LAKE OF THE WOODS ACQUIRES NEW MILL

Dominion Flour Plant at Montreal Will Provide New Markets for Company

From Our Own Correspondent.

MONTREAL.—The Lake of the Woods Milling Company this week purchased the Dominion Flour Mills, a local company which has done a considerable export business. The latter concern is a closed corporation of which W. B. Wood is president and no figures as to its financial structure are available.

The Lake of the Woods Milling has three mills all situated in the West, consequently the addition of the local plant will prove of advantage to the company, not only through its export connection, but for its local business as well. In the past, millers operating in the West have had a hard time competing with the eastern producers in this market, due to freight rates. The most easterly mill which the company formerly possessed was situated at Keewatin, Ontario, just on the Manitoba border.

The annual meeting of shareholders of the Lake of the Woods Milling Company will be held next week, when the particulars of this deal, together with the annual statement will be given to the shareholders.

Earnings of Barcelona Continue to Increase

Earnings of Barcelona Traction, Light and Power Company continue to run well ahead of the corresponding results for last year. August figures, which have just come to hand, show net earnings of 4,160,875 pesetas, an increase of 280,721 pesetas over August, 1924, and 77,367 pesetas over the net earnings for July, 1925.

August—	1925 Pesetas	1924 Pesettas	Increase Pesetas
Gross Earn. ...	6,576,995	6,027,202	549,793
Oper. Exp. ...	2,416,120	2,147,048	269,072
Net Earn. ...	4,160,875	3,880,154	280,721
Agg. Gross from Jan. 1st	56,695,033	51,882,461	4,812,572
Ag. Net from from Jan. 1st	37,380,435	32,658,138	4,722,297

Brazilian Operating Increased by Drought

In August the Brazilian Traction, Light and Power Co., Ltd., had an increase in both gross and net earnings, despite the fact that operating expenses were materially higher. This is largely due to the drought in the State of Sao Paulo, which is still acute. There has been no amelioration; in fact, it is a little worse. For that reason the steam plant is being utilized to full capacity in the city of Sao Paulo; but, even so, the company is not able to supply the necessary quota of power. The requirements of most of the factories have been scaled down. Nevertheless, business is good and the amount of unemployment is small. No relief is expected from the drought until December, when the seasonal rains commence.

August—	1925	1924	Incr.
Gross Earn.	$2,805,346	$2,217,189	$588,157
Oper. Exp. ..	1,219,516	865,440	354,076
Net Earn. ..	1,585,830	1,351,749	234,081
Aggr. Gross from Jan. 1 ...	$19,273,760	$17,413,668	$1,860,092
Aggr. Net from Jan. 1 ...	$11,020,919	$10,811,307	$ 209,612

The Dominion Financial to Guarantee Mortgages

From Our Own Correspondent

MONTREAL.—The Dominion Financial Corporation has inaugurated a new plan whereby investors may obtain an unconditional guarantee as to principal and interest of mortgages purchased through the corporation. The plan is optional with the purchase. Combining holdings of guaranteed with the unguaranteed mortgages, an investor is able to obtain an average yield of over 6 per cent.

NOTHING IN SIGHT FOR SHAREHOLDERS CHEMICAL PRODUCTS

Chemical Securities Holding Mortgage Will Pay in Full —Debts Exhaust Assets

There seems little hope of shareholders of Chemical Products getting anything out of the wreckage of the company. Its affairs have been in the hands of the liquidator. This week the liquidator received permission from the courts to pay $100,000 which has been realized from the assets so far, to the mortgage holders. Chemical Securities hold the mortgage, which is thought to amount to $230,000 or $240,000. The $100,000 will be distributed to shareholders of Chemical Securities, and the cheques will be sent out before the 15th of the month.

If there are assets enough to take care of the mortgage in full, and it is likely there will be, debts to about $40,000 must be paid before the preferred shareholders of Chemical Products could expect to get anything. There remains only the plant at Trenton, and though this was appraised at a couple of million when the plant was in operation, it is doubtful if there will be sufficient raised to wipe off the balance of the mortgage and take care of the debtors.

Chemical Securities had one class of stock totalling $232,600, so that the payment of the mortgage in full will relieve holders of the issues of any loss.

AUSTRALIAN TRADE OVER-ESTIMATED

Newsprint Producers Are Not Likely to Benefit for Some Time by Agreement's Ratification

From Our Own Correspondent.

MONTREAL.—On and after October 1, the newsprint manufacturers of this country will be able to sell in the Australian market free from tariff charges. The present duties are £3 per ton. This barrier has been effective in preventing Canadian newsprint from entering this market.

This enlarged market is due to the ratification by the Australian government of the trade agreement between that country and Canada.

The Australian market consumes about 100,000 tons of newsprint per year. This compares with a Canadian production of about 1,500,000 tons annually, or, roughly, say, 120,000 tons a month. In view of the over-produced state of the newsprint industry, the additional market should prove of value to Canadian newsprint manufacturers. However, the immediate benefits which may accrue from the agreement should not be over-estimated, for English manufacturers have had a monopoly of this market during the last five years, and there is absolutely no reason to doubt that they have endeavored to sew up the market by means of long-term contracts. Nevertheless, Canadian manufacturers will be able to ship some newsprint to that country immediately and should gradually obtain control of the best portion of the market, as newsprint can be produced more cheaply here than in any other country in the world.

From the figures given above, it will be seen that the total consumption of the Australian commonwealth is equal only to about three or four weeks' production from the Canadian mills. The ratification of the agreement means that Canada and England are the only two countries in the world to receive this preferential treatment in Australia's newsprint market.

Big Increase in Sales of Willys-Overland Co.

NEW YORK.—With retail sales in the Dominion of Canada showing district increases of from 19 to 82 per cent. throughout the territory, the percentage of increase tabulated generally for the northern neighbor of the United States shows that sales increased 36 per cent., according to figures just released by Canadian officials of Willys-Overland for the period ended July 31.

The sales gain noted generally throughout the Dominion presents some interesting figures and comparisons. Before the end of July retail sales in Canada surpassed the sales' figures established for the entire twelve months of 1924, with both Overland and Willys-Knight sales showing a decided impetus. The retail sales increase over last year, according to officials, show a 36 per cent. gain over the similar period of 1924.

British Columbia provided a striking illustration of Willys-Overland popularity in the Dominion with a 65 per cent. increase in sales registered.

F. N. BURT AGAIN BOUGHT

F. N. Burt has again developed strength this week on active buying. Although there is nothing definite available as to the company's plans in regard to dividends it is quite evident that some further good things are anticipated by the shareholders in view of the company's very prosperous operations.

HAVE YOU MONEY?

$100 or $1,000 will start you on the road to independence.

One of Canada's oldest, best known, most successful businesses, having adopted the popular plan of "public and customer" ownership as a means to greater expansion, offers an unusual opportunity for safe and sound investment to small investors.

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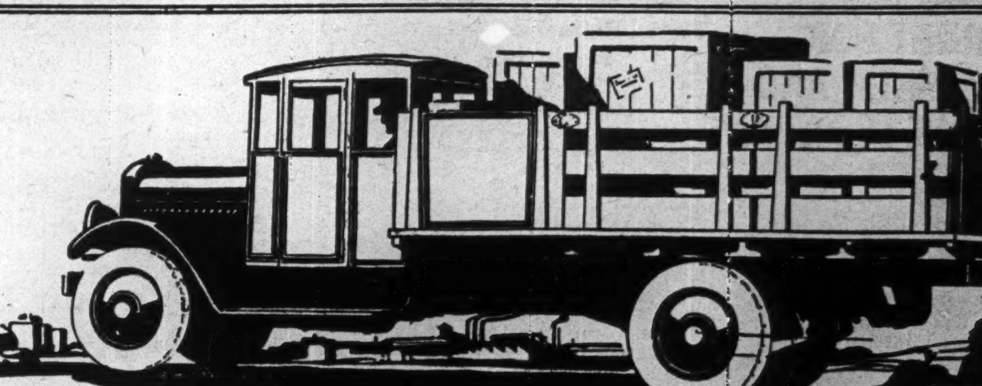

HEAVY DUTY SPEED WAGON

Every part and every unit has been proved good by Reo's exhaustive tests which are the marvel of the industry because of their range and accuracy.

Capacity— TWO TONS

CHASSIS $2820 plus freight—tax paid

REO MOTOR CAR COMPANY OF CANADA, LIMITED
WINDSOR ONTARIO

BELL CO. ACQUIRES PETERBORO SYSTEM

Local Concern Financed on Sentiment Fails to Meet Economic Needs of Situation

From Our Own Correspondent.

MONTREAL.—Ontario papers a few days ago announced the sale of the bulk of the assets of the Canadian Machine Telephone Company, at Brantford, Burford, St. George, and vicinity. Behind this announcement lies a story of unusual interest, particularly to investors.

About 20 years ago some local capitalists at Peterboro became interested in what was known as the Lorrimer automatic telephone, the invention of the Lorrimer brothers—two young machinists of exceptional ability. The apparatus was ingenious, and a number of Peterboro investors and business men decided to support the establishment of a local telephone system in opposition to the established exchange. A substantial building was secured to house the central office equipment, a very complete and creditable distribution system was constructed throughout the city, and hundreds of telephones were installed in both business and residence premises. The franchise arrangements with the civic authorities provided that no rental was to be collected from users until something like 300 subscribers had been secured.

Although financial returns were not encouraging, the project was still further extended. The city of Brantford and later the town of Lindsay, were chosen as promising fields for the further extension of this automatic system. Surrounding the former city, quite an extensive development took place, the village of Burford and St. George being the centre of a system serving hundreds of farmers, with free service to Brantford.

It does not appear that at Peterboro the necessary 300 subscribers were ever secured—in any event no rental was collected. The whole project was greatly enlarged by the establishment of a manufacturing side to the business, which produced a great deal of first-class equipment, the market for which was largely the smaller telephone systems operating in the rural communities of Ontario, and the other provinces of Canada. Recently radio apparatus formed a large part of the company's output.

But apparently the enterprise was too heavily loaded with unprofitable adjuncts. In the cities in which active competition for subscribers was carried on with the established system, although the result was an awakened interest in the subject of telephone service the growth of the new concern was slow and the business unprofitable.

The final outcome was the sale by the liquidators to the Bell Telephone Company of that part of the competing company's plant at Brantford and vicinity which could be made use of by the Bell people.

Railway Earnings

CANADIAN PACIFIC RAILWAY

Week end.	1925	1924	Change
Sept. 21	$4,629,000	$3,511,000	+$1,118,000

CANADIAN NATIONAL RAILWAY

Week end.	1925	1924	Change
Sept. 21	$5,264,296	$4,381,293	+ $883,003
Jan. 1 to Sept. 21	161,454,188	165,696,941	— 4,242,753

C. N. R. NET EARNINGS SHOW INCREASE

Net profits of the Canadian National Railways for August showed a substantial increase compared with the corresponding month last year, the total for month being $2,718,405, an increase of $2,004,722. The net revenue for the eight months ending August 31, was higher than for any similar period in the history of the company, this improvement being made in the face of decreased gross receipts. Following are the figures for August and for the eight months:

August—	1925	1924	Change
Op. rev. ..	$20,747,640	$18,323,938	+$2,423,702
Op. ex. ..	18,029,235	17,610,255	+ 418,980
Net	2,718,405	713,683	+ 2,004,722
Eight Months—			
Op. rev. ..	146,661,997	153,173,166	— 6,511,169
Op. exp. ..	138,276,305	149,244,802	—10,968,497
Net	8,385,692	3,928,364	+ 4,457,328

SOO LINE IMPROVES

MONTREAL.—The improvement in the railway situation is apparent in monthly earnings report of the Minneapolis, St. Paul and Sault Ste. Marie Railway for the month of August, 1925.

The report shows that this subsidiary of the Canadian Pacific Railway made a profit during the month, after payment of interest on funded debt—a thing which has not occurred for some time. In August, 1924, the road had a deficit after meeting its fixed charges.

August—		1925		1924
Revenue		$2,486,568		$2,110,764
Expenses		1,778,285		[illegible]
Net rev.		$ 713,283		$ 360,794
Taxes and uncollect. ry. revenue		177,725		[illegible]
Net after taxes ...	Cr.	$ 535,557	Cr.	$ [illegible]
Hire of equip.	Cr.	41,538	Dr.	[illegible]
Rental of term. ..	Dr.	8,766	Dr.	[illegible]
Net after rents....	Cr.	$ 568,329	Cr.	$ [illegible]
Other inc.—net ...	Cr.	$ 10,385	Cr.	1,741
Int. on fund. debt	Dr.	413,678	Dr.	[illegible]
Net	Cr.	$ 165,042	Dr.	$ [illegible]

HB 1883

RESPONSIBILITY

WE should hardly be human did we not feel satisfaction at the reputation for integrity the name that this house enjoys among investors.

But a reputation for integrity carries with it great responsibility. A multitude of investors have placed their confidence in us and we must be worthy of their trust.

It means that we must be ready to finance a great Corporation giving employment to the community as well as to know how to assist the widow to get the most from her inheritance.

It means that we must know investments and investment values thoroughly, be familiar with the "fitness" of bonds to the needs of the investor and be worthy of confidence in a business where so much depends on the integrity of the seller.

HANSON BROS.
INVESTMENT SECURITIES

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Iron and Steel

THE DEPRESSION SHOWN IN REPORT OF NATIONAL CAR

Business Last Year Was Only Five Per Cent. of Capacity

With business representing only 5 per cent. of the capacity of the company's plants, the fact that a considerable deficit is reported by the National Steel Car Corporation for the year ending June 30 will hardly be a matter for surprise to the shareholders. The operating loss was $46,337 this being increased to a total deficit of $197,534 through the payment of bond interest and allowances for depreciation. In the previous year, when the plant operated at 20 per cent. of capacity, there were profits of $358,068, but in 1923 the report showed a deficit of $118,016. There still remains in the profit and loss account a surplus of $2,396,251. Following are comparative figures:

	1925	1924	1923
Profit	x$ 46,337	$608,815	$142,888
Depreciation ..	67,098	95,379	97,384
Bond interest ..	84,100	99,429	104,100
Other interest ..	......	55,624	59,416
	x197,535	358,381	x118,013
Bal. forward ..	2,396,251	2,395,937	2,513,950
	2,198,716	2,754,318	2,395,937
Prov. for inventories	......	358,068	......
Surplus	2,198,716	2,396,250	......

xLoss.

Features of the balance sheet, which shows a reduction in total assets to $4,648,096 from $6,181,682 last year and $9,007,688 the year before are the entire disappearance of bank loans, which, at the end of 1924 amounted to $664,895, and a reduction of a quarter million in the bonded indebtedness. Working capital at $899,327 shows a reduction from $1,313,511 in the previous year and $1,224,188 in 1923. Both current assets at $1,022 033 and current liabilities at $122,706 are much less than at the end of 1924. The claims against the French Republic and Paris, Lyons and Mediterranean Railway Company remain the same at $263,478. Receivables at $233,725 and payables at $105 277, compare with $1,034,517 and $513,063 respectively, and inventories are practically cut in two at $754,012.

Liquid Position Good

Shareholders will derive some satisfaction from the company's liquid position. The excess of quick assets over current liabilities is practically on an eight to one basis, a distinct improvement, and the funded indebtedness was reduced by $250,000, and no further reductions on this account need be made before 1927.

A Difficult Experience

Chairman and President Robert J. Magor strikes a rather ominous note in his comment on the company's business experience when he says:

"As the guardians of your corporation your directors feel called upon to record the fact that unless a reasonable amount of business is placed, the railway equipment industry of Canada, which under ordinary conditions is among the largest employers of labor, will in the future face even a more serious situation than it has in the past.

"Railway buying is the country's barometer of prosperity. The railways are the largest purchasers of diversified materials, and therefore when they are buying in substantial quantities the wheels of industry are turning and prosperity is general. On the other hand, when their purchases are restricted we have general depression despite any increase in agricultural or mineral products or increases in foreign trade. With conditions as they are it is indeed misleading to advertise to the world for capital to be invested in Canadian industries. Before this is done the solution of our railway problems must be found so that our great systems can function in a normal and efficient manner and come into the market for materials, the production of which will in itself develop a healthy period of prosperity and in turn automatically solve the immigration problem, on which so much time and money has been spent to no avail."

Users of Steel Products Buying for Future Needs

Users of iron and steel products are, for the first time in several months, showing some interest in forward needs, says the current issue of Canadian Machinery and Manufacturing News. A disposition to provide against expected as well as immediate requirements is resulting in improvement in sentiment.

Mill deliveries are less prompt and prices have steadied, both of which facts are an added incentive to extend commitments. Resale houses, themselves buying more freely for winter stock, are experiencing stimulation in demand. Some thirty thousand tons of structural steel will be required by Dominion Bridge Co. at Montreal for fabrication for the new bridge, much of which will be rolled in Canada.

American and foreign iron and steel makers, who have been decidedly successful in the Dominion this summer, are making a final drive for business before the navigation season closes. Water-borne iron is being landed at Canadian ports at prices which are sufficiently low as to prevent any advance in quotations on the Canadian product, at least until these ports are closed for the winter.

INCREASED COKE OUTPUT

August coke output in Canada at 95,397 tons marked an increase over the total for the previous month for the first time since last March. This rise of 7 per cent. over the 89,221 tons of July was due to increased blast furnace activity and also to the settlement early in August of the Nova Scotia coal mines' strike which commenced in April and continued for a period of approximately five months.

C.P.R. Rail Order Means Activity For Algoma Steel

No. 3 blast furnace of the Algoma Steel Corporation which has been idle for some months has been blown in. The blowing in on this furnace is in connection with the preparation for the rolling of rails for the Canadian Pacific Railway. Nos. 1, 2, 3 and 4 furnaces are operating in No. 1 open-hearth shop and Nos. 9, 10 and 11 furnaces in No. 2 open-hearth shop. Both the 18-inch and the 12-inch merchant mills are operating and two blast furnaces are now running. About 200 men have recently been added to the payroll at the steel plant, increasing the number to 1,260 and still more workers are being taken on.

BESCO'S OUTLOOK SHOWS IMPROVEMENT

Iron and Steel Operations at Record Level — Corporation Obtain Good Rail Order

MONTREAL.—There has been a marked increase in activity at almost all the plants of the British Empire Steel Corporation during the last week or two. Another blast furnace commenced operations this week—this makes a record for the number of units working at one time. All the open-hearth furrnaces are turning out steel, and arrangements are being completed for starting up the rail mill once again, as the corportion has closed contracts with both railroads for rails.

The corporation has a large number of orders on hand now and the outlook is more hopeful than possibly it has been during the last three years, as there are three or four months of marked activity in view, with the possibility of orders which might be sufficient to carry the company through the winter months with considerable activity at its plants.

Although Besco is not able to make any earnings, yet it has been able to improve some of its plants to such an extent that lower costs will result—incidentally, any further financing which the corporation would require would be used in making cost-reducing extensions.

The coal mines are also working at capacity; both night and day.

KING'S OFFER TO FINISH HUDSON BAY LINE CAUSES CONCERN

(Continued from page 1)

ered, at Port Hope, an address mainly on the tariff, that showed much sincere study of the problem. It was obviously the work of an Oxford Liberal, steeped in British academic free trade beliefs, and there was also a Progressive ring to the speech that recalled the fact that Mr. Massey's political secretary was formerly political secretary to Hon. T. A. Crerar.

A few days later, however, Hon. James A. Robb delivered an address in Quebec that was a plain matter-of-fact presentation by a Canadian business man of the nation's problems as he saw them. In it, he took a stand for the tariff that had none of the free trade touch to it. He opposed the Progressives' demand for a lower tariff just as much as he opposed Mr. Meighen's demand for a higher tariff. He outlined the work the government expected to do with its honorary advisory council in tariff reform.

Promises Tax Reduction

Mr. Robb's address was most notable, however, for his definite statement that he felt certain he could reduce the income and sales taxes at the next session of parliament. His speech is so significant as to be worth quoting. He stated: "I am in favor of reducing the public debt, for we cannot leave all this great war debt to those who follow us, and we must try to reduce it. My own ambition as minister of finance is to introduce such amendments as will provide for a gradual reduction of the public debt, and of the annual carrying charges, so that we will have less taxes to pay, and I am happy to say that I feel now that with the recent financing we have done, and the saving in interest charges of nine millions, I will be in a position at the next session to recommend a reduction in income tax and a reduction in that obnoxious sales tax."

The Progressive Campaign

Robert Forke, Progressive leader, is getting into the swing of the campaign, and is beginning to make the Progressive policies known. He has come out against Premier King's scheme for senate reform, and has emphasized that the West wants the Hudson Bay Railway. He suggests, also, more co-operation between the two great railways to reduce operating expenses and outlines his view that Canada needs a Federal reserve banking system, to remove eastern dominance in banking affairs.

UNLISTED SECURITIES

Industrials, Utilities, Etc.—	Bid	Asked
Brooks Steamer (1 pref, 2 com.).	4½	6½
Can. Machinery, com.	4	6
Can. Machinery, pref.	13½	17
Canadian Oil, pref.	93	95
Can. Westinghouse, com.	148	152
Cockshutt Plow, pref.	41	43
Cosgrave Brewery	4½	5½
Dom. Combing (1 pref, 2 com.).	30	40
Dom. Power, pref.	93	95
English Electric, pref.	47	51
Famous Players, com.	11	13½
Gunns, Ltd., pref.	31	34
Imperial Tobacco	6	7
King Edward Hotel Deb. A.	72	76
King Edward Hotel Deb. B.	51	54
K. & S. Tire, pref.	7	11
Loew's Toronto, com.	31	35
Loew's London, com.	2	2½
Loew's Ottawa, pref.	11	16
Massey-Harris	62	65
Mount Royal Hotel, com.	5	6
Mount Royal Hotel, pref.	37	41
North Mexico Power, com.	41½	45
R. Simpson, pref.	98	100
Willard's pref.	75	81
Capital Life	21½	24
Continental Life	32	34
Empire Life	20	25
Monarch Life	16½	18½
National Life	46	50
Re-insurance	12	15
Security Life	33	37
Sovereign Life	21	24
Comm. Finance, pref.	60	63

Big Increase in Canada's Mineral Exports is Shown

IMPORTS AND EXPORTS OF CANADA BY MAIN GROUPS

Main Groups	Twelve Months Ended August 1923 $	1924 $	1925 $
Imports for Consumption			
Agricultural and Vegetable Products ...	177,311,196	177,167,068	180,353,501
Animal Products	48,173,557	42,572,276	43,914,690
Fibres and Textiles	177,557,627	165,166,883	174,766,039
Wood and Paper	39,190,017	39,193,766	38,304,821
Iron and Its Products	163,358,547	152,495,854	149,017,215
Non-Ferrous Metals	41,264,109	41,568,249	42,349,814
Non-Metallic Minerals	171,315,115	141,939,383	135,263,127
Chemical Products	26,351,972	24,811,871	26,262,509
Miscellaneous	47,438,895	48,700,563	47,630,223
Total Imports	891,961,035	833,615,913	837,861,939
Dutiable Goods	589,343,922	552,719,828	529,364,945
Free Goods	302,617,113	280,896,085	308,496,994
Duty Collected	135,998,829	128,198,526	127,234,815
Exports (Canadian)			
Agricultural and Vegetable Products ...	420,538,420	464,226,348	463,113,365
Animal Products	134,351,096	142,077,776	185,005,269
Fibres and Textiles	8,214,867	7,817,639	10,108,861
Wood and Paper	257,865,501	258,301,717	262,070,357
Iron and Its Products	61,715,348	63,429,782	58,679,640
Non-Ferrous Metals	57,456,409	70,689,844	97,761,169
Non-Metallic Minerals	30,329,659	22,464,787	22,027,779
Chemical Products	15,476,208	14,730,454	17,118,688
Miscellaneous	15,240,066	16,367,135	14,867,429
Total Exports (Canadian)	1,001,187,574	1,060,105,482	1,130,753,557
Foreign Exports	14,006,562	12,434,407	12,604,353
Total Exports	1,015,194,136	1,072,539,889	1,143,357,910

Business, Not Wars, Regulate Nickel Sales

International Nickel this week distributed $836,692 in dividends or 50c. a share on the common stock, the first disbursement since 1919. Thus one of Canada's leading mining enterprises comes back to popularity under very different circumstances than when it fell from grace with the stopping of dividends six years ago. Up to that time the company had disbursed large sums, all earnings from the production of nickel for the manufacture of armaments. It is doubtful if more than a cent or two of the 50 cents just paid per share came from the sale of nickel for such purposes. Instead International Nickel is to-day nearer an industrial than a mining enterprise. The production of the nickel-copper ore and its refining is just one step that the company now takes and the production of various nickel alloys and steels, and notably the famous monel metal, is the one that has brought the venture back on a basis that should ensure its steady operation. Its future will now be subject to the ups and downs of business rather than the ups and downs of ill-feeling among nations of the world.

In its search for new uses for nickel International Nickel built a rolling mill.

Before the war only about 40 per cent. of the company's output went into industrial uses, but now almost the entire output is consumed in peace industries. As a result the output is now greater than it was before the war, and with the wide distribution of its products the company is in a better and stronger position than ever before in its history. It is estimated that within a very few years the peak of the war production will be passed. The company is producing nickel at the lowest cost in its history.

The amount of money spent by the Federal government on immigration last year was approximately $2,400,000 instead of $24,000,000 as appeared by typographical error in last week's issue. The average annual immigration figure referred to was 75,000.

The Stock Market Record

WEEK ENDING SEPTEMBER 29

	Div. Rate	Yield Sept. 28	High for wk.	Low for wk.	Close Sept. 29	Close Sept. 22	Sales for wk.	Range 1925 High	Low
Banks—									
Commerce	12	5.46	220	217	219	216¾	371	220	194¾
Dominion	12+1	6.30	206	202	206	202	291	206	189
Can. Nationale	10	6.64	150½	150½	150½	150	6	151	148
Imperial	12	6.12	198¼	195	198	196	344	200	184
Montreal	12	4.61	262	260	260	272½	387	263½	240
Nova Scotia	16	5.87	275	270	275	272½	33	280	262
Royal	12	5.00	240½	239½	240	239	155	240½	227½
Standard	12	6.50	188½	183	188½	184	73	188½	170
Toronto	12	5.63	215	213	215	212	81	215	192½
Paper—									
Abitibi, com.	4	5.99	67¼	65¾	67	66½	1357	75	62
Do. pref.	7	6.66	105	105	105	107	135	108	101
Belgo-Can., com.	6	7.50	..	..	..	..	..	86	80
Do. pref.	7	7.29	96	95¼	96	95¼	124	99	95
Brompton Pulp	.	....	23¼	22	22½	23¼	370	83¼	18½
Laurentide	6	7.69	78	77	77½	77	1081	85⅞	73
Price Bros.	2	4.08	49	48	49	50	..	55⅛	35⅜
Prov. Paper, com.	6	5.88	102	102	102	102	40	111¼	88¾
Do. pref.	7	7.07	..	..	..	..	..	102	95
Smith, Howard, com.	.	....	40½	40	40	42	270	47	21¼
Do. pref.	8	8.14	99	98	98	99¾	25	106	69½
Spanish River, com.	7	7.00	102	99½	100¼	100	1230	111¾	97
Do. pref.	7	6.06	116	113	115½	113	2265	127	110½
St. Maurice Paper	6	7.50	83	80	83	80	160	86½	80
Wayagamack	.	....	56	55½	56	56	545	56¾	34½
Steel and Steel Industries—									
B.E. Steel, com.	.	....	2½	2	2	2	875	3¾	1½
Do. 1st pref.	.	....	27	25¼	27	25	85	34	22
Do. 2nd pref.	.	....	9	8½	9	8¾	760	11¼	6¾
Can. Car & Found., com	.	....	39¾	39½	39½	37	180	57⅞	34
Do. pref.	7	8.80	81	79½	79½	81	190	90¼	78
Can. Fairbanks, pref.	.	....	46	46	46	..	15	46	46
Can. Foundries, com.	.	....	..	..	..	..	..	35	15
Do. pref.	.	....	..	..	..	..	..	50	40
Canada Iron, com.	.	....	..	..	..	..	..	8	8
Do. pref.	.	....	..	..	..	..	..	35	32
Can. Locomotive, com	.	....	35	35	35	35	10	71¼	35
Do. pref.	7	9.33	75	74	75	75	141	90	73½
Dominion Coal	.	....	..	..	..	..	..	50	39¾
Dominion Iron, pref.	.	....	21	20	21	25	130	28	20
Dominion Radiator	7	6.96	100½	100½	100½	100½	157	102½	98½
Dominion Bridge	4	4.10	97½	96	96½	98	776	104	77
Dom. Steel Corp., pref.	.	....	24½	24½	24½	25	5	38	20½
N.S. Steel, pref.	.	....	..	..	..	..	..	32	21
Ontario Steel, com.	4+1	7.46	67	66	66	68	75	70	41
Do. pref.	7	7.14	..	..	..	..	..	100	91½
Steel of Canada, com.	7	7.54	93	91	92	90½	3930	93	80
Do. pref.	7	6.08	115	113½	115	113½	259	115	105
Milling—									
Canada Bread, com.	4	6.61	61	59	60	61	367	62¼	39¾
Do. pref. (A)	7	6.63	105½	105½	105½	105	5	107½	100
Do. pref. (B)	7	7.40	94¾	94⅛	94¾	94¼	297	96	85¾
Inter. Milling, pref.	7	7.14	98	98	98	98	100	102	96¾
Lake of Woods, com.	12	6.38	189	188	188	189	191	189	176
Do. pref.	7	5.64	..	..	..	..	..	125½	121
Maple Leaf, com.	.	....	94	94	94	95	30	100	80
Do. pref.	7	6.86	102	102	102	101½	5	102	96
Ogilvie Flour, com.	1½+3	4.76	168	165¾	165¾	170	20	180½	135
Do. pref.	7	5.55	126	125	125	125	200	127	121½
Shredded Wheat, com.	10	6.53	153½	152½	153	152½	254	155	148
St. Law. Flour, com.	.	....	33	30	33	30	141	65	27
Do. pref.	7	8.75	..	..	..	..	..	80	78½
West. Can. Flour	8	7.61	105	104½	105	106½	220	112	104½
Utilities—									
Bell Telephone	8	5.70	140¾	139	140¾	138½	451	142	132¾
Consumers Gas	10	5.78	174	173	174	174	105	174½	164
Jamaica Pub. Ser., pref.	7	7.25	96¾	96½	96¾	96½	42	98½	96½
Laurentide Power	5	4.71	..	..	..	..	..	108	93¾
Kaministiquia	8	5.79	..	..	..	..	..	138	100
Mackay, com.	7	5.10	142	134½	135½	142	1166	142	114½
Do. pref.	4	5.51	77¾	70⅝	72	76⅝	2469	77¾	67
Mexican Light, com.	.	....	30½	30½	30½	30½	50	34	22
Do. pref.	.	....	..	..	..	..	..	63	57
Mont. L. H. & Pr. Cons.	8	3.80	211	209	209	210	1991	212	152
Montreal Telegraph	8	6.83	47	46½	47	47	84	55	45
Ottawa L. H. & Pr.	6	6.18	98	97	97	98	35	103½	95
Do. pref.	6½	6.34	102½	102½	102½	102½	55	109	100
Quebec Power, com.	5	4.42	113½	113	113	113	20	119	85
Do. pref.	7	6.25	112	111	112	112	115	112	103½
Shawinigan	8	4.90	164½	162	162	164	415	175	130½
South. Can. Pow., com.	1.00	....	81	80	81	80	255	84	67
Transportation—									
Can. Pacific Rly.	10	6.60	151½	149	150	149	551	152¼	137
Can. Steamships, com.	.	....	13	12	13	12	240	13¾	10
Do. pref.	.	....	55	52¾	54½	52¼	4162	55	42
Tractions—									
Barcelona	.	....	22½	21⅝	21⅝	22¼	510	24⅜	18¼
Brazilian	4	5.49	73½	71	72	73	16119	74⅞	49¼
Detroit Un. Rly.	.	....	1	1	1	1	210	29	.75
Duluth-Superior	.	....	32	32	32	32	58	42	32
Illinois Traction, pref.	6	6.28	95½	95⅛	95½	95¼	125	95½	92
Montreal Trams	10	5.61	179	178	179	180	100	187	160
Ottawa Traction	4+1	7.75	64½	64	64	65	230	66⅛	61
Porto Rico Rlys., com.	.	....	..	..	..	..	..	46⅝	35¼
Do. pref.	7	7.86	89	88	89	90	47	91¼	84
Quebec Rly.	.	....	..	..	..	..	..	24½	20
Twin City, com.	4	6.66	60¼	59¾	60	59¾	1751	70	58
Do. pref.	7	....	..	..	..	..	..	97	94½
Winnipeg Elec., com.	1	....	48¾	47⅛	48½	48	2018	53⅞	35¼
Do. pref.	7	7.86	96	94	95	95¼	236	99½	87
Textiles—									
Can. Conn. Cotton, pref.	1	....	46	45	45½	45	190	50	39
Can. Converters	7	7.77	91½	83¾	89½	89½	815	91½	80
Can. Cottons, com.	8	6.57	124½	121	121	121½	336	24½	106
Do. pref.	6	6.25	..	..	..	..	..	96	90
Can. Woollens, com.	.	....	8	7	8	7	19	14½	5½
Do. pref.	.	....	55	54	54	50	212	58	40
Dom. Textile, com.	5	5.66	89	88	88	87	639	90	66
Do. pref.	7	5.93	118	117	118	117½	36	118	111
Monarch Knitting, com	.	....	..	..	..	..	..	45	30
Do. pref.	.	....	47	47	47	47	5	80	45
Montreal Cotton, com.	6	5.82	103	103	103	105	5	105	95
Do. pref.	7	6.03	116	110	116	112	61	116	109
Penmans, com.	8	4.65	173	167½	170	167	1019	173	144
Do. pref.	6	5.68	105¾	105¾	105¾	101½	6	105¾	99
Wabasso Cotton	4	6.15	66	65	66	63	263	66	55¼

Eight Hundred Branches in Canada

In view of the good crop which has been harvested in the Canadian West, it is of importance to manufacturers, wholesalers and all other business interests to know that we provide banking service at 380 points in Western Canada.

With the largest number of branches in the Dominion and over 100 abroad, this Bank offers unequalled facilities for handling collection business.

The Royal Bank of Canada

Resources exceed 700 Million Dollars

G531

	Div. Rate	Yield Sept. 28	High for wk.	Low for wk.	Close Sept. 29	Close Sept. 22	Sales for wk.	Range 1925 High	Low
General Industrials—									
Amer. Salesbook, com.	4.00	7.80	51¼	50½	51	51	152	51¼	38
Do. pref.	7	7.65	92	91¼	91½	92	280	94	88
Brantford Cordage, pref.	2.00	....	26½	26	26½	26⅛	504	27¼	25
Asbestos, com.	6	6.52	92	85½	91½	87	3176	94½	35
Do. pref.	6	5.33	112¾	108	112¾	109½	740	117	73½
Atlantic Sugar, com.	.	....	34¼	32½	32½	34	1135	35¼	18
Do. pref.	.	....	80½	79½	80¾	80¼	370	82	40
Bird & Son, pref.	7	8.40	..	..	..	..	..	83¼	80
B.C. Fishing	.	....	49½	47⅞	48¾	48	2377	50	19
Burt, F. N., com.	12	4.91	63⅛	60½	63	60¾	1395	63⅛	40
Do. pref.	7	2.88	243	240	240	210	15	243	142½
Can. Canners, com.	.	....	13½	13	13	13⅜	267	14½	12
Do. pref.	2½	....	58	56⅜	57	58⅜	1596	60	53¾
Christie Biscuits, com.	.	....	..	..	..	..	..	60½	31½
Do. pref.	.	....	..	..	..	..	..	118	109½
Canada Cement, com	6	5.58	107⅛	105½	107	105	2259	114	90½
Do. pref.	7	6.00	117½	116	116	117	76	117½	107
Cons. Rubber, pref.	7	8.23	..	..	..	..	..	90	85
Can. Gen. Electric, com.	.	....	..	..	..	..	..	55	53
Do. pref.	7	6.19	57¼	53	53	56½	149	60	50
Can. Indust. Alcohol	1.28	8.53	15½	14½	15½	15	1976	20½	14
Canadian Salt	8	5.22	..	..	..	..	..	154½	112
Carr. Factories, com.	.	....	..	..	..	..	..	2½	1
City Dairy, com.	12	3.39	89½	88¾	88¾	89	462	90½	65
Do. pref.	7	6.48	108	106	108	108	6	110	104½
Crows Nest Coal	3	....	49	49	49	48¼	10	50	35
Cuban Can. Sugar, com.	.	....	6	6	6	6	120	10	5
Do. pref.	.	....	30	26	26	30	40	44½	26
Dom. Canners, com.	7	....	133	133	133	134½	25	136	56½
Do. pref.	7	6.19	..	..	..	..	..	113	95¾
Dom. Glass, com.	7	6.53	106	105½	106	105½	145	116⅞	102
Do. pref.	7	6.19	113	112	113	113½	22	119	110½
Dominion Stores, com.	1.00	....	66	65	66	67¼	95	71½	28½
Do. pref.	8	7.40	108½	107	108½	108	74	109	97½
Wm. A. Davies	.	....	33	31½	32¼	33¼	27	36	24
Eastern Theatres, com.	.	....	..	..	..	..	..	19½	14
Do. pref.	7	9.62	..	..	..	..	..	76	70
Ford Motor	10	....	..	..	..	..	..	512	488
Gilman, com.	6	5.97	100½	100½	100½	100½	5	101	80
Do. pref.	7	6.36	110	110	110	111	173	111½	100½
Goodyear Tire, pref.	7	7.69	91⅛	90	91	92	158	100½	90
Dodge Bros., com.	.	....	..	..	..	..	..	80½	22
Do. pref.	7	....	..	..	..	..	..	84½	80½
Holt, Renfrew, pref.	7	9.09	77	77	77	78	10	82	65
King Ed. Hotel	.	....	..	..	..	..	..	27	20
Lyall Construction	.	....	22	21½	21½	21¼	80	29	11
National Brew., com.	.	....	57¾	57	57	57⅛	1611	68	42
Do. pref.	7	6.66	105	105	105	105	50	106½	98
National Brick, com.	.	....	16	16	16	16	50	18	15
Do. pref.	7	9.21	..	..	..	..	..	79½	70
Pacific Burt, com.	6	6.56	..	..	..	..	..	96	87
Do. pref.	7	6.96	100½	100½	100¼	102	3	107	100½
Port Hope Sanitary, com	.	....	74	72	74	72	145	75	53
Do. pref.	7	7.14	..	..	..	..	..	100	88
Pure Gold Mfg.	50c	....	25	25	25	25	22	27	23
Rogers, Wm. A., com.	.	....	52	51	51½	51½	63	65	50
Do. pref.	7	7.86	89½	89	89½	88	10	95	88
Russell Motor, com.	.	....	..	..	..	..	..	40	24
Do. pref.	7	8.04	87½	87	87	87	51	87½	74½
Sawyer-Massey, com.	.	....	1	1	1	1	105	1	1
Do. pref.	.	....	..	..	..	..	..	20⅜	5
Sherwin-Williams, com.	6	4.80	125	125	125	125	35	130	115
Do. pref.	7	6.52	..	..	..	..	..	110	104½
Sterling Coal	4	10.00	40	40	40	40	45	53	39
Tooke Bros., com.	.	....	..	..	..	..	..	8	8
Do. pref.	.	....	..	..	..	..	..	62⅜	37
Tuckett Tobacco, com.	4	5.83	68	66½	68	66½	332	70	59
Do. pref.	7	6.83	102	102	102	101¼	34	102¼	96½
Woods Mfg., com.	.	....	32	28	28	31	27	49	20
Do. pref.	7	9.65	72½	72½	72½	73½	10	75	64½
Western Grocers, com.	.	....	12	11½	12	11¼	285	13½	4½
Trust and Loan—									
Canada Landed	10	5.37	93	93	93	93	6	97	80
Can. Permanent	12	5.91	203¼	201	203¼	200	23	203¼	190
Colonial Invest.	6	....	4¾	4¾	4¾	4⅝	10	5	4
Hamilton Prov.	10	6.41	..	..	..	..	..	156	154
Huron & Erie	7	5.51	127	127	127	128¼	15	130	125
Landed Banking	9	6.20	..	..	..	..	..	145	142
Montreal Loan	12+1	6.76	..	..	..	..	..	48	45
National Trust	12	5.30	..	..	..	..	..	226	210
Ontario Loan	11	5.23	..	..	..	..	..	105	99
Real Estate Loan	7	8.18	..	..	..	..	..	88½	85½
Toronto Gen. Trusts	12	5.68	213	213	213	215	10	215	208
Toronto Mortgage	10+1	6.04	91	91	91	91	20	92	87½
Union Trust	7	7.77	..	..	..	..	..	90	85½

MINING STOCK QUOTATIONS

WEEK ENDING SEPTEMBER 29

	Par Value	Div. Rate	Yield	High for wk.	Low for wk.	Close Sept. 29	Close Sept. 22	Sales for wk.	Range 1925 High	Low
Apex	1	..	..	2	2	2	2	3500	4	2
Argonaut	1	..	..	26½	22½	24¼	26	129600	48	22½
Atlas	1	..	..	..	..	..	..	....	5	2¼
Baldwin	1	..	..	2½	2¼	2½	2⅝	40500	7	2
Barry-Hollinger	1	..	..	20¾	18	19	20	13050	50	18
Beaver	1	..	..	28	26	27	28	22100	37	25½
Bidgood	1	..	..	6¼	6½	6½	7	6500	16¼	4½
Boston Creek	1	..	..	..	..	..	..	....	7	4½
Buckingham	1	..	..	2⅞	2¼	2⅜	2⅝	3000	5⅛	2¼
Canadian Lorrain	1	..	..	59½	57	57	59	15200	60	23
Capitol	1	..	..	32	29½	31¼	28½	34700	37¼	24
Castle Tre.	1	..	..	1.20	1.14	1.18	1.16	57025	1.20	.71
Clifton	1	..	..	3½	2½	2½	3½	12150	25¾	2½
Coniagas	5	..	..	1.83	1.73	1.80	1.65	2350	2.30	1.45
Coniar'm	1	..	..	..	..	..	..	....	2.45	1.00
Col. Kirkland	1	..	..	4⅛	3¾	3¾	4¼	55600	10½	2
Cons. Smelters	25	6	1.28	117	116	117	117	2034	124	48
Cons. W. Dome	1	..	..	13	12½	12½	12⅜	85400	22	11
Crown Reserve	1	..	..	17	16¼	16¼	16¼	22100	54½	15½
Davidson C.	1	..	..	2⅜	2¾	2¾	3¼	3000	5	2
Dome Mines	1	2	13.33	15.20	14.80	15.05	15.30	4260	16.00	12.90
Everett	1	..	..	6⅛	5⅞	6	6	48000	10	4½
Goldale	1	..	..	21	19	20½	19¾	43200	22½	14¾
Gold Reef	1	..	..	1¼	1½	1¾	1¼	29500	1⅞	1
Hattie	1	..	..	1	1	1	1¼	25000	2¾	½
Hattie, pref.	1	..	..	5	3	4¼	4⅛	90200	67	3
Hillcrest, pref.	.	..	..	82	82	82	80½	10	82	78¾
Hollinger	5	20.80	6.70	15.65	15.35	15.50	15.35	8625	15.65	13.35
Hunton	1	..	..	6⅛	5¾	6¼	6	33000	8½	4
Indian	1	..	..	..	..	..	..	....	17	4
Inspiration	1	..	..	..	..	..	..	....	10	7
Int. Nickel, com.	25	50c	5.92	34⅜	33¾	33¾	34¼	195	35	24⅜
Keeley	1	24	15.00	1.64	1.50	1.59	1.65	37135	2.32	1.50
Keora	1	..	..	14½	13½	14	14¼	80400	19½	9½
Kirk Lake	1	..	..	39	34½	36½	39	49650	50	34½
Lakeside	1	..	..	6	5	5	5½	11500	15¼	2¾
Lake Shore	1	20+5	3.18	8.10	6.75	7.85	6.73	20690	8.10	4.51
La Rose	1	..	..	42½	38	40	41½	86250	55	7½
Lorrain	1	..	..	9	8½	9	8¾	25500	24	7
Lorrain T. L.	1	..	..	98	97	97	98	200	1.34	90
McKinley	1	..	..	20¼	18¾	18¾	21	32900	44½	15½
McIntyre	5	20	5.17	19.55	18.90	19.45	18.90	14703	19.99	16.00
Mining Corp.	5	12½	..	2.95	2.78	2.80	2.92	9580	3.16	2.35
Moneta	1	..	..	15¼	14	15	14½	16800	18¼	13
Newray	1	..	..	23½	23	23½	22½	5900	28½	17
Nipissing	5	12+6	18.86	4.90	4.77	4.77	4.90	2375	6.80	4.65
Night Hawk	1	..	..	..	..	..	..	....	49½	23
Ophir	1	..	..	3½	3½	3½	3¾	1000	7⅛	3
Peterson Lake	1	..	..	3¾	3½	3½	4⅛	6500	12	3½
Porc. Crown	1	..	..	4	4	4	4⅞	1000	8	3
Premier Gold	1	32	18.44	2.38	2.23	2.38	2.30	11750	2.58	2.00
Preston	1	..	..	8½	8	8¼	8½	98100	12	6¾
Teck Hughes	1	..	..	2.00	1.85	1.98	1.87	113375	2.00	1.23
Thomp. Krist	1	..	..	..	..	..	..	....	3	1
Timiskaming	1	..	..	..	..	..	..	....	30	15
Tough Oakes	1	..	..	52	45½	51½	47	121200	52	20
Trethewey	1	..	..	..	..	..	..	....	22	16¼
Victory Silver	1	..	..	9	8½	8½	10	10200	31	5½
Vipond Cons.	1	..	..	1.20	1.01	1.04	1.18	67825	1.42	1.01
Wakenda	1	..	..	..	..	..	..	....	3½	1
Wasapika	1	..	..	1¼	1¼	1¼	1¼	2000	3¾	1
West Tree	1	..	..	2¼	2	2¼	2½	3000	5	2
Wettlaufer	1	..	..	5	4¾	4¾	5¼	4000	16	3½
Wright-Har.	1	20	3.33	6.25	5.75	6.00	5.65	9570	6.25	4.15
Rouyn	1	..	..	..	..	..	..	....	.10	.4
Vickers	1	..	..	4	4	4	4	1000	16	3
Oil Companies										
B.A. Oil	25	2+2	5.90	43	40⅛	42¾	42¼	3274	43	36½
Imperial Oil	25	50c	3.22	31½	30⅞	31	31⅜	692	34¾	27½
Inter. Pet.	5	75c	3.00	26½	25½	26½	26½	477	28	22¾

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Public Utilities

B.C. ELECTRIC'S POWER PLANS FOR NEXT THIRTY YRS.

Ambitious Program Looking to Development of 700,000 H.P.

VANCOUVER. — The development of the Bridge river power scheme at an initial cost of $13,271,000 for 60,000 horse power and an ultimate development of 700,000 horse power—sufficient for the needs of the lower mainland until 1950 or 1960—is announced by George Kidd, president of the British Columbia Electric Railway Co. The Bridge river development will be one of the largest hydro-electric projects on this continent, not excepting Muscle Shoals in Alabama. It is so great that no estimate has been made of the probable cost or probable date of development of more than 210,000 horse power which will serve Vancouver and district for fifteen years more.

Bridge River Power Development in a Nutshell

Possible development	700,000 h.p.
Distance from Vancouver	136 miles
How it will be developed:	
1st stage— 60,000 h.p	$13,271,000
2nd stage— 90,000 h.p.	$14,700,000
3rd stage—150,000 h.p.	$28,000,000
4th stage—210,000 h.p.	$30,500,000

Construction to be started—probably in 1927.
First stage completed—probably in 1930.

The power plant will be situated on Seton Lake on the Pacific Great Eastern railway, 135 miles north of Vancouver. Power will be transmitted that distance at 165,000 volts, the highest voltage so far used in Canada. There are some transmission lines in California using 220,000 volts. Construction will start probably in 1927 and the first stage will be finished in 1930, provided the demand for current grows at 10 per cent. per annum. Should the demand slacken and the rate become only eight per cent. per annum, development will be postponed a year of two years.

The British Columbia Electric Railway Co. obtained the Bridge River power development by exercising an option obtained a year and a half ago from the Bridge River Power Co. The latter company is a Montreal syndicate controlled by the Royal Securities Corporation and by H. H. Vaughan and Henry Holgate of Montreal.

The Bridge River power development consists of throwing a diversion dam across Bridge River at a point opposite Seton lake. From the reservoir thus formed, a tunnel 13,000 feet, or two and a half miles in length, will run through the mountain to Seton lake, emerging at a point near Shalalth. Steel penstocks will convey the water down the mountain side to the power plant which will operate under a head of 1,200 feet. This head is just three times that at Lake Buntzen and ten times that at Stave Falls. Every cubic foot of water falling this distance will generate 80 kilowatts of electricity.

As outlined by the engineers for the B. C. Electric Railway Co., the first 210,000 horse power will be developed in four stages. What will take place after that is too far in the future and details have not been worked out.

The present capacity of the B. C. Electric's power developments totals 164,900 horse power and 453,000,000 kilowatt hours a year, without including the steam plant. Consumption reached 300,000,000 kilowatt hours at the end of 1924. At a 10 per cent. cumulative increase per annum this supply will be exhausted by 1930, taking into account the dropping of the Bellingham load in April next.

Injunction Against Fare of Twin City Defeated

Settlement of one of the five suits entered in the litigation between the Twin City Rapid Transit Co. and the cities of St. Paul and Minneapolis was effected when the application of the city of St. Paul to restrain the company from collecting the new scale of fares authorized by the Railroad and Warehouse Commission, and moved to have the former six-cent flat fare restored was not granted by the courts. The other suits are the appeals by the two cities from the Railroad and Warehouse Commission's order, fixing fares, and the suits of the two railway companies against the two cities in the United States District Court. "It is idle to suppose," says the St. Paul Pioneer Press, "that the city railway company can continue to furnish transportation at six cents a ride or less than cost for the remaining five years of its old franchise, with patronage steadily declining. It would be a calamity if such a situation should develop as did in Detroit, Mich., and in Akron, Ohio, and other cities, where service was discontinued under similar circumstances. The injection of this latest lawsuit into the controversy emphasizes again the need of a settlement of the fare question out of court, to save time, to avoid expense and to insure maintenance of good service."

Public Utility Earnings

NORTHERN MEXICO POWER & DEVELOPMENT

	1924	1925	Increase	%
For August—				
Gross	65,982	90,593	24,611	37.30
Net	47,947	71,935	23,987	50.03
For Eight Months—				
Gross	449,774	655,400	205,625	45.71
Net	333,104	502,146	169,042	50.74

SOUTHERN CANADA POWER

August—	1925	1924	Increase
Gross earn.	99,663	93,285	6,378
Oper. exp.	37,223	42,451	*5,228
Net earn.	62,440	50,834	11,606
Eleven months—	1925	1924	Increase
Gross earn.	1,062,339	961,715	100,624
Oper. exp.	455,925	435,629	20,296
Net earn.	606,414	526,086	80,328

* Decrease.

Quebec Southern Power Secures New Franchise

From Our Own Correspondent

MONTREAL.—This week the Quebec Southern Power Corporation obtained another exclusive franchise in the territory which it serves. It is for the town of St. Roch l'Achigan; in securing this franchise the company's extension programme in this section is now complete, as this new line meets the lines of a subsidiary of the Shawinigan Water and Power Co.

In the Rawdon district, the company's hydro development is too small to meet the demand for power, consequently there is a shortage in that vicinity, which will be met on October 15 as, at that date, a new transmission line between St. Jerome and St. Lin will be completed. This line will tie up the Rawdon district, with the chief plant of the company which is situated on the North River at Ste. Adele, P. Q.

SOUTHERN CANADA SELLS NEW BONDS

Refunds Old Issue With $6,000,000 Offering Bearing Lower Interest Rate

From Our Own Correspondent

MONTREAL.—This week, Nesbitt, Thomson and Company are offering $6,000,000 first mortgage 5 per cent. 30-year bonds of the Southern Canada Power Company. This new issue will be used to refund the present 6 per cent. bonds of which there are $4,537,500 outstanding.

Due to the rapid expansion of the company, and to make ready for further financing in the future, it was decided to replace the old issue with the present one—in this manner, due to the lower prevailing interest rates, the company will have lower fixed charges in future. The present issue will finance certain additions which are being made at present. These extensions include the alteration and the enlargement of the plant at Drummondville.

There is a large equity behind the bonds. The actual investment in plants alone is valued at $15,000,000. In addition, the company owns developed water powers to the extent of 54,000 horsepower and 106,000 horsepower in undeveloped water-power sites. The present market value of the company's outstanding stock is over $8,000,000, whilst the present issue totals but $6,000,000.

Serves 400,000

The company serves a territory of over 5,000 square miles lying between the St. Lawrence River and the border, and comprising 70 communities with a population in excess of 400,000.

The trust deed covering this issue provides that the remainder of the bonds may only be issued to the extent of 75 per cent. of the cost of any extension or addition to the property. However, $5,000,000 of these bonds which are held in the treasury may be sold to cover the actual cost of any additions to the property. The deed provides also that more bonds cannot be issued unless earnings are at least equivalent to one-and-three-quarter times the bond interest requirements.

The total water powers leased from the province of Quebec amount to 160,000 horsepower—of which 54,000 h.p. is developed. The leases have 62 more years to run. The company serves from its plants 18,000 customers, and there is no large proportion of earnings derived from any one load sold to one industry. The bonds are secured by a mortgage on all the fixed assets and upon all the other assets.

These figures indicate the growth of Southern Canada Power during the past twelve years:

1914	1919	1924	1925
2,260	9,000	16,217	18,400

Sinking Fund

The trust deed provides that the company must set aside 15 per cent. of its annual gross revenue for maintenance and sinking fund. Of this 15 per cent. 7½ per cent. must be utilizeed for maintenance and renewals; the remaining 7½ per cent. must either be expended on permanent additions to the property or be used by the trustees to retire this issue of bonds.

The earnings for the current year will be well in excess of twice the bond interest requirements. In addition, as the company is now selling power from its Hemmings Falls plant, the earnings in the future will continue their upward trend. The earnings for the past four years are as follows :

1921	$326,151.15
1922	412,625.50
1923	484,277.10
1924	635,396.75
1925 (Eleven months actual, September estimated)	700,000.00

The bonds are being sold at 97, which makes a yield of 5.2 per cent.

Stave Falls Plant of B.C. Electric is Opened

VANCOUVER.—The completed Stave Falls plant of the British Columbia Electric Railway Company 42 miles from Vancouver recently opened is the result of operations extending over the last four years. When the Stave Falls plant was taken over from the Western Power Company of Canada, in 1920, the British Columbia Electric Railway Company immediately installed a fourth unit of 8,825 kv.a. bringing the total installation up to 35,300 kv.a. In April, 1922, work was begun on the raising of the level of Stave Lake 22 feet by building the Blind Slough dam and raising the main and intake dams. This work was completed in 18 months. The water storage was thus trebled and in addition it was decided to proceed with the Alouette development whereby Alouette Lake water is diverted through a tunnel into Stave Lake. The additional storage and Alouette water made possible a fifth unit of 13,125 kv.a. and the higher head of water allowed the four original generators to be rewound for the same capacity. The new plant therefore has a capacity of 65,625 k.v.a.

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Pulp and Paper

SPANISH RIVER INTERESTS WIDEN THEIR HOLDINGS

Mead Investment Co. Purchases Quebec Lands—To Build Mill

From Our Own Correspondent

MONTREAL.—The Mead Investment Corporation has purchased the Canadian assets of the Bayliss Pulp and Paper Company, subject to the investigation of a statement made by the vendors; the purchasers have until November 25 to complete their investigations and to decide whether or not to consummate the deal.

The Canadian assets of the Bayliss Company consist of the St. Anne Pulp and Lumber Company, and the Beaupre Pulp and Lumber Company; if the sales goes through it means that a new pulp mill costing between $3,000,000 and $5,000,000 will be constructed at Beaupre, as the latter place has been determined upon as the location of the new mill in event of the deal being concluded. The mill would obtain its power from the Laurentian Power Company.

The Mead Investment Company is associated with the George H. Mead Company, which is a powerful factor in the newsprint industry in this country, and handles the export sales of Laurentide, Brompton and Price Brothers.

Donohues Interested

Connected with the project are Donohue Brothers, of Murray Bay, P. Q.; there will be an amalgamation of the Mead interests and the Donohue interests, whereby Donohue Brothers will look after the supply of wood, while the Geo. H. Mead Company will probably look after the making of the paper and its sale.

The present mill of Donohue Brothers at Murray Bay has a daily capacity of 120 tons of mechanical pulp. It is understood that the new paper mill will have two newsprint machines. In consummating the present deal, the Mead interests wish to assure themselves of a wood supply more than sufficient to meet mill requirements.

Identity is Maintained

The amalagamation of Donohue Brothers with the Mead interests does not mean that the former group will lose control of their properties. They will simply supply the raw material in the form of mechanical pulp to the paper mill. It is not anticipated also that there will be any public financing for the project—capital will probably be secured from New York by the Mead Investment Corporation.

Even though the Canadian assets of the Bayliss Company be purchased by the Mead company, it does not mean that construction on the new pulp mill will be started this year, for the sale will only be concluded at the very earliest by November 25 next; when completed, the purchasers will make plans for the new mill, and, in addition, lay plans for the many matters which must be dealt with in a deal of the magnitude of the present one. It is felt that work would not commence before next spring with the probability that it will be 1927 before the new plant begins to function.

Spanish River Expands

George H. Mead is president of the Spanish River Pulp and Paper Mills; in view of Spanish-Abitibi merger talk, it is interesting to note the expansion in this company, or rather the expansion of companies closely connected by interlocking directorates with Spanish.

Two weeks ago it was announced that the Fort William Paper Company would purchase the Kaministiquia Power Company. (The former interlocks with Spanish River.) Last summer, Spanish River, in conjunction with J. D. McArthur, of Winnipeg, undertook the construction of the Manitoba Pulp and Paper Company, which will produce 200 tons of newsprint a day, and now comes the announcement that the Mead interests, in conjunction with the Donohues, will build a new mill in the province of Quebec.

If a merger is finally consummated between the various pulp and paper interests in northern Ontario, it seems reasonable to suppose that all these companies will take their place in the picture. In fact, it is possible that it is the magnitude of projected merger that is one of the factors which will make for delay in its consummation.

Increased Newsprint Consumption Expected

From Our Own Correspondent

MONTREAL.—That the newspaper advertising volume in 1925 will exceed that of 1924 by at least 8 per cent., and probably by a greater margin, is the conclusion reached by Editor and Publisher, the American journal of the newspaper business, after a study of the most comprehensive volume of newspaper advertising records that has ever been published.

This paper believes, too that a 10 per cent. gain in the advertising lineage is not all unlikely. These estimates will interest the investor who holds stock in newsprint companies, as naturally the size of the newspapers depends upon the volume of advertising carried.

Within the next year The Financial Post figures that the total capacity of all Canadian and United States newsprint mills will be increased by 15 per cent. Some have figured that the expansion in the industry here will glut the market with newsprint, but, in view of the estimated increased consumption during the current year and the hope for still more consumption during 1926, the outlook appears more hopeful.

Whalen 2nd Mortgage Still Have a Chance

From Our Own Correspondent

MONTREAL.—The supreme court of British Columbia this week granted a postponement of the date of sale of the assets of Whalen Pulp and Paper Mills. It will be recalled that the assets of the company were to be sold at the end of August. It was thought that the only purchaser would have been the first mortgage bondholders who had already formulated a complete reorganization scheme. At the last moment before the date of the sale, some of the larger debenture stock holders appeared before the court claiming to have a plan which would safeguard their mortgage as well as the mortgage of the bondholders. At that time the court granted an extension until September 30, with the provision that a further extension would be granted, should the debenture holders be able to formulate a reorganization plan which would have a chance of proving successful. They have done so and the present order fixes the date of sale for October 30.

The property is being operated under a receiver appointed by the courts who has thus received instruction to negotiate still further for the sale of the company's assets.

During July and August, the receiver states that the property, which consists of two plants on the B. C. coast, earned, approximately $90,000.

Price Bros. Good Prospects for Long Pull

MONTREAL.—There is a tendency on the part of some investors to regard the stock of Price Brothers and Company at present prices as being rather speculative. Perhaps it is thought that the company is unwise in undertaking such a great expansion programme, which, when completed, will place it at the pinnacle of the newsprint producers in Canada.

An investor naturally has the right to his opinion, but this company's expansion in the paper trade is logical, especially when compared with the expansion in other industries, and with other newsprint companies. It already possesses, and has for some time past, ample timber limits, sufficient water power to supply at a definitely low rate all the hydroelectric power required for present and for future requirements, and, in addition, Price Brothers has been so built up in the past that it can expand its organization with its physical expansion. Through many years of hard work, it has built up, too, a definite goodwill in the paper market, which has been unquestionably created by the production of good quality paper coupled with good service.

One other point which is sometimes felt with regard to the stock is that it is selling too high. It yields about 4 per cent. at present market prices. There is the feeling that, with the present over-production in the newsprint market, and with an increase of approximately 15 per cent. within the next nine or ten months, the company may have a "tough row to hoe"; this factor undoubtedly does not compare favorably with the prices at which the stock is changing hands. The answer to this is that as far as market prices are concerned, the company, as such, takes no interest whatever in the prices at which the shares change hands. It has always been a family affair, and the control of Price Brothers always has been, and is still, definitely in the hands of no one else but the Price family. The amount of stock held on margin by brokers for their clients is small and the amount held by individual investors is small also. Incidentally, the outstanding common stock totals $42,683,200, whereas there was listed on the unlisted department of the New York Curb Exchange this week only $6,000,000 of common stock.

In brief, then, the shares in the company which are held outside the Price family and by directors, are small in number — manifestly these shareholders did not buy the stock for a quick turn and are holding it for the long pull.

The last balance sheet shows that the ratio of current assets to current liabilities stands at about 9 to 2, giving a working capital of some $5,500,000. The ratio, of course, is good, but there is the thought that the company would benefit by increasing the size of its working capital, especially when this is compared with total assets of nearly $66,000,000.

Whether this working capital be low for a company of Price Brothers' magnitude or not, it has been greatly strengthened since February 28, the date of the last published balance sheet. This has been due to the disposal of one of Price Brothers' undeveloped water powers to the Aluminum Company of America. In addition, Price Brothers retains over $4,000,000 of securities of the Aluminum Company of America—which can be regarded as being good liquid assets and which should increase in value as times goes on. The Aluminum Company will not reap profits from its $100,000,000 project on the Saguenay for some time, but profits will come.

As the connection between Price Brothers, Duke-Price, the Quebec Development Company, the Alma and Jonquiere Railway, and the Aluminum Company of America, is not generally understood, it is worthy of brief review.

Some time ago, Price Brothers, for the sum of about $1,800,000, became owners of a 25 per cent. interest in the Quebec Development Company, Ltd., which owned the undeveloped water power rights at Grand Discharge and Chute a Caron, with the right to dam Lake St. John as a reservoir for these projects, as well as many other valuable assets necessary to the development of power in the Lake St. John and Saguenay districts.

Next, the Quebec Development Company formed the Duke-Price Company to undertake the power development at Grand Discharge, with an immediate development of 210,000 horsepower and an ultimate development of 360,000 horsepower. Practically the whole of the common stock of the Duke-Price Power Company is owned by the Quebec Development Company. In this way, Price Brothers have a 25 per cent. interest in Duke-Price Power. In addition, the Quebec Development Company owns the Alma and Jonquiere Railway. This road runs from Saguenay Power Junction on the Canadian National to Alma. It is operating satisfactorily and showing profits.

The next move was the sale by the Quebec Development Company of the Chute a Caron power site to the Aluminum Company of Canada, a subsidiary of the Aluminum company of America. The consideration naturally was stock in the Aluminum Company of America. When the sale was completed, the Quebec Development Company, of which Price Brothers owns a 25 per cent. interest and the remainder is owned by the J. B. Duke interests, gave to its owners the stock which they had received in exchange for the property. Price Brothers' share of these securities was approximately 40,900 shares of 6 per cent. cumulative preferred stock of $100 par value and approximately 36,800 shares of common stock with a par value of $5 per share. In brief, these shares are now directly owned by Price Brothers and most certainly better the company's working capital position.

In addition, the future for the Aluminum Company of Canada looks bright. Consequently, Price Brothers must benefit directly through its ownership of stock in the parent organization.

Price Brothers is the fourth largest producer of newsprint in the world; its timber limits consist of 8,700 square miles situated beside the in 1926. Should this be so, it naturtwo principal plants of the company on the Saguenay and St. Lawrence Rivers. The present production is in the neighborhood of 575 tons per

(Continued on page 15)

PRICE BROS. ON NEW YORK CURB

MONTREAL.—The New York Curb Exchange has admitted to its unlisted trading department 600,000 shares of Price Bros. common stock. The market for the stock is increasing, for it was recently admitted to the board of the London Stock Exchange.

MATTAGAMI'S NEW PLANT

MONTREAL.—The plant of the Mattagami Pulp and Paper Company at Smooth Rock Falls, Ontario, is finding a ready market for its production of 200 tons of unbleached pulp a day. A force of men are employed at present on the property installing a bleaching plant and it is expected that the company will be in a position to turn out bleached sulphite pulp by January 1 next; at which time about one half of the production will be bleached before being sold.

NEWSPRINT CUT IS TO BE CONFIRMED

Price of $65 a Ton to be Shortly Announced by International Paper Company

MONTREAL. — As far as the newsprint industry is concerned, the most interesting news of the week is contained in a New York dispatch which forecasts a price reduction of $5 a ton for 1926 soon to be announced by the International Paper Company. The price of $65 for next year has long been heralded by The Financial Post as a certainty, with probably lower prices prevailing in the overseas export trade.

It is felt in some quarters that about the worst that can happen to prices is now definitely known, and that this price-cutting will do far more towards preventing the erection of new mills than the mere knowledge that the industry is over-extended. It seems that the mad rush into newsprint production will cease—if this be so, the newsprint companies should enter a new phase which may offer a brighter outlook to the shareholders. However, it is not to be forgotten that at the moment production exceeds demand, and that 925 tons a day are scheduled to come on the market between now and December 31 next. In addition some, 600 tons is definitely scheduled for 1926.

To appreciate their significance, the foregoing figures must be compared with the capacity of the mills on this continent which totals 10,000 tons a day. Although the price reduction is probably the best thing which could happen, yet there is nothing which would indicate that the industry stands a chance of getting out of its over-produced state in the near future.

MINNESOTA AND ONTARIO PAPER

Permanent Bonds of the issue of $16,000,000 Minnesota and Ontario Paper Company first mortgage sinking fund six per cent. bonds, are now ready to exchange for the temporary bonds outstanding, according to an announcement by Halsey, Stuart & Co. The original issuance of these was in May at which time it was believed to be the largest single issue of bonds ever brought out for the development of the pulp and paper industry.

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Notice to BONDHOLDERS

SOUTHERN CANADA POWER Company, Limited

NOTICE is hereby given to the holders of the 6% thirty-five year First Mortgage Bonds of the Southern Canada Power Company, Limited, secured, by Deed of Trust and Mortgage in favour of Montreal Trust Company, dated 1st September, 1913, that the Company will on the first day of December 1925, redeem the whole of the outstanding bonds of the said issue, at 106% of their par value, plus accrued interest to that date, and that moneys sufficient for that purpose will be deposited with the Trustee on or before the said date for the purpose of such redemption.

The Bondholders are hereby notified and requested to present their bonds, together with the unpaid coupons belonging thereto, for redemption on the first day of December, 1925, at the office of the Montreal Trust Company in the City of Montreal, or in the City of London, England, or at the office of the Canadian Bank of Commerce in the City of New York, U.S.A.

Interest on the said Bonds will cease to accrue from and after the first day of December 1925.

This Notice is given in pursuance of Section 2 of Article VIII of the said Deed of Trust and Mortgage dated 1st September, 1913.

Southern Canada Power Company, Limited
L. . HASKELL,
Secretary-Treasurer

Montreal, Sept. 28th, 1925.

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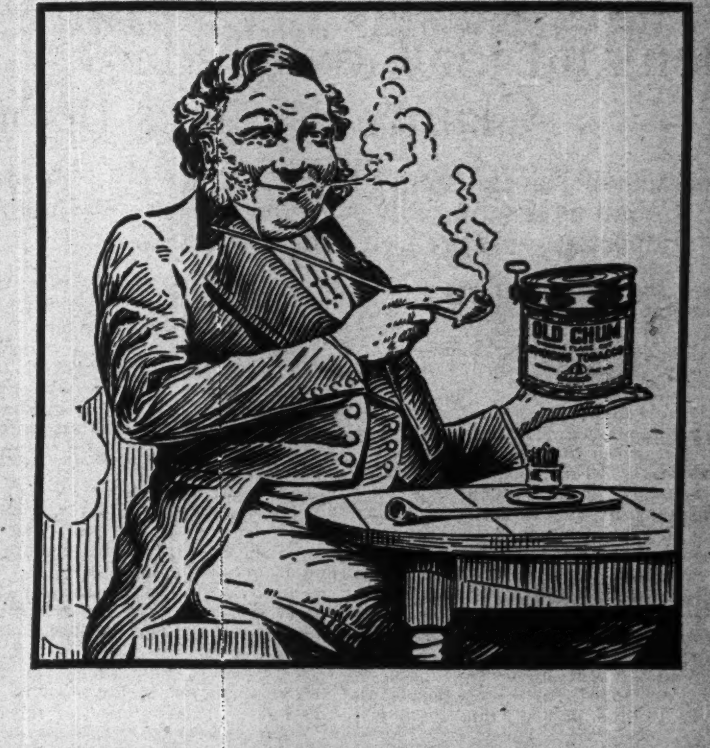

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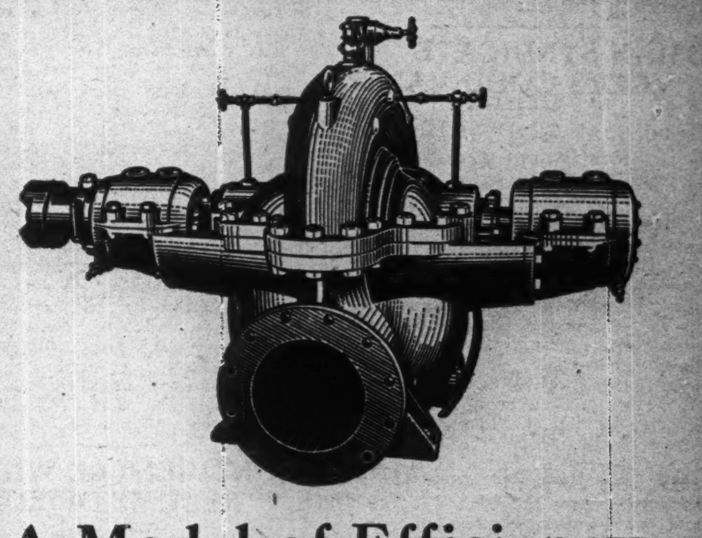

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News of the Mines for the Investor

Conducted by DANIEL E. CUSHING, Mining Editor, The Financial Post.

Demand for Gowganda Claims Presages Boom

Spectacular Developments Indicate Area Will Succeed Cobalt as Leading Silver Producer — New Finds Are Reported — Many Deals for Properties.

Gowganda seems destined to line up as Canada's next big silver camp. It has been a long time coming into its own but seems now definitely on its way. There is a heavy demand for properties in the camp and innumerable deals are pending. The remarkable success being achieved on the Castle and the success which has crowned the effort of the Tonopah of Nevada has stirred things up. Keeley mines has helped to focus attention by taking up a claim in the Tonopah section and another large deal involving 5 claims is about closed with United States capital.

Several old properties have been reopened. Keora has Calcite Lake property under development, Ottawa Gowganda, west of LeRoy Lake, is being prepared for new operations. Silver Bullion in the same section is being developed. The Collins is in the hands of English interests. Haultain is being pumped out. Capital is still diamond drilling and has an excellent outlook. Miller Lake O'Brien, the pioneer of the camp, is going at capacity. Wigwam is arranging for new funds. Reeves Dobie is being handled by the Pre-Cambrian Co. and there are others opening up.

Interest just now is focused on Wigwam Lake section where heavy leaf silver has been opened up on Bloom Lake Consolidated claims. It is full of smaltite and argentite in the gabbro where Castle has been getting good results.

The Tonopah has the Walsh and Morrison group and has opened out some nice high grade ore. The company has a shaft on both properties and is operating both.

The increased operations in Gowganda are attracting the attention of Ontario Department of Mines and it would not be surprising to see railway facilities extended to the camp. There is a good motor road in from Elk Lake. The big need of the camp is power. Operations are really crippled and will continue to be until there is an adequate supply of energy. Castle would take 300 h.p. at once.

Gowganda had its real boom back in 1909 and has been more or less neglected ever since.

ENGLISH OPERATION EXPANDING; HAS MANY PROPERTIES

Porcupine Development Takes Up Two Quebec Groups and Another in B. C.

Porcupine Goldfields Development and Finance, a Canadian corporation representing two large South African concerns is extending rapidly in Canada. It already has a proven mine in the Ankerite Porcupine and a well advanced prospect in the Stemwinder adjoining the Sullivan in British Columbia. Just recently it took over the Arntfield properties in Quebec and has since taken up the Kennedy-Sledden group in Fournier Township, Quebec. In British Columbia it is also branching out and has taken up the Donatha Morton, near Fanny Bay, 120 miles north of Vancouver. They also took up the Enid and Commonwealth, or 25 claims in all. The property produced for some time back in 1898 but operations were haulted when the vein encountered a fault. Vancouver people opened it up last year and successfully solved the fault problem.

Recently the company had a large block of ground staked in Argyle Township, Matachewan.

OSIAN SYNDICATE GETS GOOD VALUES

Have Sunk 12 Drill Holes Not Far From Quebec Boundary

Kirkland Lake's most eastern enterprise is Osian Syndicate, a venture financed by A. J. Bolton, Philadelphia, and associates. They have a block of 1,000 acres and have carried on an extensive diamond drilling campaign, putting down 12 holes. This has revealed a commercial ore body extending for a length of 350 ft. The holes average from 150 to 350 ft. in depth. The work on the property is under the direction of J. W. Morrison. Some of the earlier holes, the core of which has been assayed, show a width of five feet and some high grade. Hole No. 1, $1.80 to $2.40; No. 3, sludge, $10.40, split core, $34 and $46.20; No. 4, sludge, $7.20; split core. $2 and $1; No. 5, sludge, $16.80; split core, $22.80 and $18.60. The two values in split core represent assays by different assayers.

The property is well regarded. Mr. Morrison says it has good possibilities and he is satisfied with geological conditions. The veins occur in a large body of schisted andersite. The latter is at least 1,000 ft. wide. Porphyry has been discovered south of the andersite by the drilling. It is the intention to sink a 100-ft. shaft when the drilling is complete.

Britannia Jumps Up Its Copper Production

Howe Sound's Britannia mine in British Columbia is producing about 2,500,000 pounds of copper a month and milling about 2,500 tons of ore a day. Earlier in the year production was reduced, on account of the copper market, to around 2,300 tons of ore a day. Company is in position to increase mill tonnage sufficiently to produce about 3,000,000 pounds of copper a month. Company has at present over six years' ore supply developed at its Britannia mines. It is doing considerable development work along the Britannia ore zone, particularly in the shear zone to the east of the Buff-Fairview, where several promising shoots of ore have recently been discovered.

TAKE UP ALMA TP. GROUP

It is reported that O'Brien interests have taken up the Rody group in Alma Tp., North Matachewan. Alma is east of Argyle, where Porcupine Development is conducting exploration.

Michipocoten Group Taken Up by Huronian Belt Co.

Pioneer Syndicate, a Huronian Belt subsidiary, has taken up the Cooper group of 12 claims at Wawa in Michipacoten. Considerable surface work was done and a shaft is down 90-ft. W. M. Goodwin, former editor of Canadian Mining Journal, has been on the property for some weeks for Huronian Belt.

FRENCH RUN OVER RICH GAUTHIER FIND AWAY BACK IN 1908

Effort Was Evidently One to do Assessment Easily as Possible and Not Find Ore

"What is worth doing, is worth doing well."

This old axiom applies with the greatest force to prospectors doing assessment work.

To get patents or titles to claims, a prospector must within five years do 200 days' work on each claim. So much must be done each year.

Prospectors out to make discoveries and not so much concerned with getting patents to so much acreage, really concentrate on their assessment work and do make valuable discoveries. Harry Oakes on Lake Shore is a case in point.

But there are lots of instances where work is done just because it has to be done, and so is glossed over.

The Murphy-Little claims in Gauthier Tp., Kirkland Lake, where a rich find was made a month or so ago, is an example of this. Running across the break which has just been opened with its high values, are a couple of trenches, evidence of work done back in 1908, when the claims were first staked. These trenches were all in earth. They did not go through to bedrock. Had they done so they would have cut into this rich break.

It is quite apparent that the trenches were only run as assessment work and not to find ore.

CONTINENTAL WILL RESUME OPERATION

Biggest Property in Kirkland Camp Has Shown Some Encouragement

Continental Mines in Kirkland Lake are to resume operations. Finances have been arranged to the end that from now on operations will be continuous. Vice-pres. T. Riggs says that the vein on which the 1,000-ft. shaft was sunk is a north and south vein which showed on surface values as high as $40, but with ore running $8 over five feet. At the 150-ft. level an east and west crosscut was run and the north and south vein was cut. It showed favorable gold values. With this evidence it was considered advisable to get to the 800-ft. level before attempting further exploration. The dip of the north and south vein, however, was not constant and it was not struck until after 1,000 feet of crosscutting had been run from the 800-ft. level. Here a strong vein was encountered, carrying at the point of cutting small gold values over about five feet.

"This vein will be followed in our future work in a general north and south direction to its intersection with the main veins of the camp. When the main veins are cut they in turn will be followed, and from these drives a drilling program will be inaugurated to determine the value of the adjacent country."

OUTLOOK ON CASTLE BRIGHT

Castle's productive area has been extended to a belt 300-ft. wide and 900-ft. long with the possible limits yet unknown. Manager R. J. Enis told shareholders. Many new veins have been opened up on surface, one being 200-ft. long and showing high grade.

McIntyre Will Open 5 New Levels This Year

McIntyre expects that its new shaft will go into production June next. By that time it will have reached 3,000-ft. depth. Marked expansion at the McIntyre is to be expected this fiscal year, President J. P. Bickell told the annual meeting. General manager R. J. Enis expects that the year will see the continued successful development of the mine to 3,000-ft. He made the point that the past year's increase in ore reserves was all on old levels, no new ones having been opened up. He will open 5 this year.

ONLY GAMBLE IS ON DEPTH OF THE ORE

Kitchener Group of Central Manitoba Has All Other Qualifications

The shaft on the Kitchener claim of the Central Manitoba mines is now down 385 ft. Three stations have been cut at 125, 250 and 375 ft. levels. Cross-cutting is proceeding on two of them. The plan is to cut and then open up the long ore shoot found on surface.

John Taylor and Sons, London, through their Canadian representative, A. D. Miles, are jointly operating the property with W. A. D. Syndicate, Winnipeg. The venture is only a gamble on depth, as on surface they found the vein for 1,000 ft. in length, over good width, and carrying good commercial ore. In this connection the property is very exceptional.

Rich Ore Cut by Drill on Sylvanite Property

Sylvanite property, lying between Wright-Hargreaves and Tough-Oakes, and considered to have the extension of the main ore zone of the camp to the east from Wright-Hargreaves, has had some luck of late. They are deeper down on this property than either Lake Shore or Wright-Hargreaves, being past 1,400 ft. A diamond drill on the 1,250 level picked up a 50-inch vein which showed $150. So far a million and a quarter has been spent on the property, most of the funds being put up by a syndicate of eight Buffalo, N. Y., business men. Very little stock is in the public hands.

KEORA ORDERS NEW PLANT

Keora's new plant and equipment will be ready for operation about the 25th. The machinery is ordered and will be on hand shortly. The building to house the new compressor is already erected. In taking out the foundations, a new calcite and bloom vein was found showing a width of 5 inches. It carried no silver values, but is encouraging looking.

DUNWELL RIGHTS ARE SCARCE

It is understood that very few shareholders are willing to sell their rights to the new issue of Dunwell stock, and quite a demand is in evidence for them, say R. P. Clark & Co., Vancouver. It would appear that the company will have no difficulty in obtaining the $350,000 allotted to their shareholders, and with this money will be in a position to complete necessary work on their property and erect mill, also build tramway.

BUY GOUDREAU GROUP

McCarthy-Webb group, Goudreau, the original find in the camp, has been sold to a New York Syndicate. There are 322 acres in the group.

VIPOND PRODUCED OVER HALF MILLION

Market Shows Some Disappointment Over Drop in Ore Reserves

The mining market was not favorably impressed with Viponds showing for the past year. The stock sagged close to $1. It looks like a "Bear" raid. It is true that ore reserves are down, but this can be laid to two things, Dr. Bell's conservative method of estimating and the fact that the company has spent its major effort on exploration rather than development.

Production for the year was $582,925 compared with $379,075 the previous year. Costs were $473,378, leaving a profit of $115,369 from which taxes, depreciation, etc., totalling $108,516 were deducted. The balance added to the balance forward left a surplus of $58,368. The recovery per ton was $9.66 and costs $7.84.

Total ore reserves or what may be described as developed ore, are estimated at approximately 250,000 tons of a total value of about $2,400,000, according to the statement of the managing director, J. Mackintosh Bell. This total obviously, says Mr. Bell in his report, does not take into account ore indicated by diamond drill holes in several parts of the property. Of the developed ore, approximately 56,000 tons of an estimated value of $520,000 is broken.

As at July 31, 1924, estimated at 315,423 tons of a total value of $3,101,347.

Vipond has spent considerable effort below the 1,000-ft. level. It may be that results were not up to expectations and it would not surprise the writer if greater attention was not given to this work before the mill enlargement goes ahead. Dr. Bell will likely clean up this point at the annual meeting October 15.

Does Lamprophyre in Kirkland Lake Lose Influence at 1100-ft.?

Two Kirkland Lake mines were bothered with intrusives of lamprophyre: Tough-Oakes-Burnside and Wright-Hargreaves. In the former values were seemingly cut off to the east. On the Wright-Hargreaves it stopped development of No. 2 vein about 200 ft. from the Lake Shore boundary.

It is rather a geological coincidence that on both properties this intrusive seems to lose its influence at the 1,100 ft. level. Drifting on No. 2 vein on the Wright-Hargreaves has shown this to be a fact. On the 1,100 level of T. O. B. on the Burnside claims they seem to be away from its influence.

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Current Events in Banking World

WORKERS URGED BY EMPLOYERS TO START SAVING

How Big Paper Company Co-operates With Bank Manager

There is a growing interest on the part of industrial employers in having their workers become owners of bank accounts. To this end they are ready and willing to co-operate with the bank manager in diverting a portion of the pay-roll into savings. This is effectively illustrated in the following article which was featured in a recent issue of "The Broke Hustler," owned and published by the Abitibi Power & Paper Company, Limited, at Iroquois Falls, Ont.—J.W.T.

53 EMPLOYEES ARE SAVING $2200 A MONTH, OR AN AVERAGE OF $41.50 FOR EACH EMPLOYEE

The arrangement recently made with the Royal Bank for depositing collections from employees' earnings, for the purpose of creating special savings accounts, has resulted in fifty-three employees taking advantage of the special facilities offered.

Are you one of the fifty-three who some day will require a sum of money for an emergency such as severe illness of yourself or family, or for some other special purpose such as vacations, buying gifts, sending children to school, or investments, and who will be able to meet the expenditure out of their special savings account?

There are a large number of employees who have not given serious thought to the advantages of this savings scheme and who would benefit themselves very materially by deciding now to set aside a certain fixed sum each pay day, for deposit to their special savings account at the Royal Bank. Are you one of them?

All you require to do is to see the Pay Master at the Time Office, tell him how much you want to save each week and sign an order form, authorizing the company to deduct the amount from your earnings each pay day and deposit same to your account at the Royal Bank. You will also be required to sign a signature card for the bank. The pay master will do the rest. A pass book will be issued to you after the first deposit has been made. You keep it, but it will be necessary to take same to the bank periodically to have subsequent deposits entered up.

The special savings account operates in exactly the same way as an ordinary savings account in that you will be able to make withdrawals by cheque in the regular way, but the intention is to only make withdrawals for special purposes, with a view to allowing the weekly deposits to accumulate in the account for any special purpose that it may be required at a later date.

Staff Gossip

E. T. Hacking, a former manager of the Merchants Bank here, has been transferred from the Grande Prairie branch of the Bank of Montreal to Olds.—Representative, Leduc.

* * *

Richard Kidd, who has been employed with the local branch of the Bank of Montreal for several years, and recently with the bank in St. Thomas, has resigned his position.—Banner, Listowel.

* * *

J. L. Kerr, of Medicine Hat, has returned to Vulcan to join the staff of the Canadian Bank of Commerce. Mr. Kerr was formerly with the Bank of Hamilton in Vulcan.—Advocate, Vulcan.

* * *

Arma Weir, who has held the position of accountant in the local branch of the Union Bank, has received word of his transfer to Sarnia. — Examiner, Peterborough.

* * *

A. W. Ridout, until lately in charge of the bond department of the Canadian Bank of Commerce, Montreal, has been appointed manager of the Montreal clearing house. Mr. Ridout was manager of the Regina branch of the above mentioned bank before going to Montreal.—Times-Journal, St. Thomas.

* * *

W. C. Mitchell, who has been manager of the local branch of the Bank of Montreal for the past year or so, is leaving and it is reported that he will be appointed to the management of a branch which the bank is considering opening in a thriving Ontario town in the near future.

R. H. Siddall, manager of the Trenton branch, will succeed Mr. Mitchell.—Post, Deseronto.

* * *

The business and staff of the Canadian Bank of Commerce conducted on Colborne St., (former Bank of Hamilton) has been transferred to the office of the bank, corner of Dalhousie and Market Sts., a building which has recently been enlarged. It is understood that H. W. Fitton will continue as the manager of the combined institution and that the vacated bank premises, on Colborne St., will be available for business purposes.—Expositor, Brantford.

* * *

A. P. Taylor, the new manager of the Canadian Bank of Commerce, has arrived in Sydney to take up his duties. Mr. Taylor commenced his banking career in Canada in 1896. He was first with the Molsons Bank for eight years, then in the Eastern Townships Bank for another eight years before its amalgamation with the Canadian Bank of Commerce. Mr. Taylor has had a wide and varied banking experience, coming to Sydney from Halifax, where as inspector he was associated with D. Macgillivray, superintendent of these provinces.—Record, Sydney.

When Bank of Montreal Had Two Presidents

The days when the Bank of Montreal had a president in Toronto as well as in Montreal are recalled by the recent unveiling of a stained glass window in little Trinity Anglican church at Thornhill, a village 14 miles north of Toronto.

Donor of the window was Henry M. Thorne, of the Canada Paper Co., Montreal. It is a memorial to his grandparents, after whom the village is named. R. Edgar Thorne, of Cote des Neiges Road, Montreal, is another grandson.

Back in 1822, Benjamin Thorne came out from Sherborne, in Dorsetshire, England, settled north of Toronto, and presently became prominent in the commercial and financial life of Upper Canada. In partnership with his brother-in-law, William Parsons, he engaged in the tanning and flour milling business and operated importing warehouses in Toronto.

Benjamin Thorne, in whose tanneries, the late William Beardmore, founder of the great leather tanning firm, was a clerk, devoted his energies for the most part to the export of grain and flour to England. He was a pioneer in this line and was said to have been the first man in Upper Canada to have paid cash for wheat to the farmers.

Wheat Pool to Acquire More Extensive Facilities

REGINA.—It is the intention of Saskatchewan Wheat Pool to acquire handling facilities at every shipping point in the province, according to an official statement on elevator policy issued when the pool passed its objective of nine million acres with 67,000 contracts at headquarters covering a total of 9,018,251 acres.

The board expressed a desire that developments within the two big farmer owned elevator companies will make impossible any conflict in carrying out the policy determined upon by the pool of building up a system of country elevators operating in conformity with the pool method of marketing.

DOMINION BANK

The Dominion Bank announces the following staff appointments: Geo. W. Eckert, formerly manager at Davenport Road and Uxbridge Avenue branch, has been appointed manager an Roncesvalles Avenue branch, Toronto, succeeding Lt. Col. A. E. S. Thompson, who retires after 40 years' service. F. E. Havill, formerly accountant at McCaul Street branch, Toronto, has been appointed acting manager at Davenport Road and Uxbridge Avenue branch, Toronto. A. S. Jamieson, formerly at Montreal branch, has been appointed accountant at Hamilton. P. C. Marsh, formerly manager at Welland, has been appointed manager at St. Thomas.

Exchange

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Sept. 24	1-64	Par	1-32	Par
Sept. 25	1-64	Par	1-32	Par
Sept. 26	Par	Par	Par	Par
Sept. 28	Par	Par	Par	Par
Sept. 29	Par	x1-64	1-32	Par
Sept. 30	Par	x1-64	1-32	Par

xDiscount.

STERLING, FRANCS AND LIRE

	Demand Sterling	Demand Francs	Demand Lire
Sept. 24	4.84 3/16	4.73	4.06½
Sept. 25	4.84 3/16	4.73	4.04
Sept. 26	4.84⅛	4.72¾	4.08
Sept. 28	4.83 15/16	4.72½	4.08½
Sept. 29	4.84 1/16	4.72¾	4.07½
Sept. 30	4.81	4.72	4.06¼

Weekly Bank Clearings

(In comparison with same week last year)

EASTERN CITIES

	Sept. 25, 1924	Sept. 24, 1925
Halifax	$ 2,397,205	$ 3,923,024
St. John	2,168,038	2,454.435
Moncton	1,046,025	770,997
Sherbrooke	650,564	875.018
Quebec	5,068,594	5,223,235
Montreal	99.257,086	87,580.133
Ottawa	5,331,582	5,662,798
Kingston	687,979	749,734
Peterboro	747,018	699,555
Toronto	136,697.724	90,366,140
Hamilton	4,586,862	4,976,261
Brantford	924,024	957,630
London	2,491,791	2,614,481
Kitchener	961,198	927,445
Windsor	2,740,710	3,493,193
Total, East.	$265,756,400	$211,274,079

WESTERN CITIES

	Sept. 25, 1924	Sept. 24, 1925
Fort William	$ 1,148.911	$ 1,073,419
Winnipeg	40,050,492	65,472.853
Brandon	606,951	649.391
Regina	3,249.844	6,177,671
Moose Jaw	1,053,513	1,207,581
Saskatoon	1,423,887	1,793,049
Prince Albert	259.710	275.260
Lethbridge	463,349	524,270
Medicine Hat	208.233	334,588
Calgary	5,054,134	4,893.465
Edmonton	3,601.042	4,324,698
Vancouver	14,252.632	17,379.349
New Westminster ...	629.833	733.048
Victoria	1,835,015	2,048.680
Total, West.	$73,837,546	$106,887,322

Monthly Bank Clearings

(In comparison with same month last year).

Eastern Cities

	Sept., 1924	Sept., 1925
St. John	$10,223,575	$10,649,123
Sherbrooke	3,104,987	3,535,798
Montreal	425.880.858	399 206.343
Quebec	22 850.141	28,040.527
Ottawa	24,595.409	26,075.797
Kingston	3,033.054	3.253.401
Peterboro	3,274.277	3.263 782
Toronto	476,592.843	383.202.773
Hamilton	20.971.089	21.296,414
Brantford	3,634.077	3,865,811
London	10,416,412	10.585,833
Kitchener	3.662.772	3.986.741
Windsor	14,043,933	14,389,554
Total East	1,022,258,427	911,351,900

Western Cities

	Sept. 1924	Sept., 1925
Fort William	4.976.883	4,039,580
Winnipeg	177,153 874	231.955.720
Brandon	2.527,681	2,830.306
Regina	12.791,875	21.427.339
Saskatoon	6.289.226	7.892 564
Moose Jaw	4.497.977	5.031.005
Prince Albert	1 287.179	1.217.871
Lethbridge	2.231.478	2.461.251
Edmonton	15,659 488	18 833 816
Medicine Hat	1.215 879	1.341.471
N. Westminster ...	2.769 239	3.270.600
Vancouver	62.941 149	67.263.115
Victoria	7.977.211	8.623.615
Total, West	$302,288,154	$375,747,953
Grand Total	1,324,542,561	1,287,009,853

INCREASE OF 7% IN BANK DEBITS

Larger Volume of Business Indicated as Compared With Year Ago

OTTAWA.—The bank debits at the clearing house centres of Canada as reported to the Dominion Bureau of Statistics, were $2,090,000,000 in August, as compared with $2,248,000,000 in July, and $1,967,000,000 in August, 1924. This represents a gain of nearly 7 per cent. in the long term comparison and a decline of about the same percentage in comparison with the preceding month. Providing correction were made for seasonal tendencies, the debits in August would be on a level with July.

The bank clearings in August were $1,248,105,224 as compared with $1,330,759,511 in July, and with $1,252,548,630 in August, 1924. The cumulative debits in Canada during the first eight months of the present year were greater by $146,587,000 than in the corresponding period of 1924.

Debits to Industrial Accounts

	August, 1925 $	August, 1924 $
Maritime Provinces—		
Halifax	22,626,109	22,343,739
Moncton	6,052,857	5,909,455
St. John	16,170,358	25,879,040
Total	46,849,324	54,132,234
Quebec—		
Montreal	604,461,902	557,632,359
Quebec	49,143,593	44,453,642
Sherbrooke	12,790,636	7,796,143
Total	666,396,131	609,882,144
Ontario—		
Brantford	9,578,323	7,793,874
Chatham	5,863,092	5,580,945
Fort William	5,621,762	5,846,608
Hamilton	50,508,934	44,501,919
Kingston	4,975,221	5,292,555
Kitchener	8,114,815	7,549,142
London	20,436,551	18,584,408
Ottawa	169,461,176	100,871,505
Peterborough	5,560,396	5,304,096
Toronto	506,394,786	525,897,011
Windsor	25,864,018	23,454,875
Total	812,379,074	752,676,938
Prairie Provinces—		
Brandon	4,476,402	3,985,842
Calgary	50,693,937	38,440,306
Edmonton	28,688,782	24,460,654
Lethbridge	4,620,224	5,092,617
Medicine Hat	2,414,005	2,665,339
Moose Jaw	7,721,029	7,188,039
Prince Albert ...	1,757,984	2,037,232
Regina	25,824,266	19,542,516
Saskatoon	10,668,662	9,387,590
Winnipeg	265,938,580	296,929,924
Weyburn Bank ..	2,898,989	1,391,722
Total	405,702,860	411,121,781
British Columbia—		
New Westminster.	5,571,002	4,561,562
Vancouver	128,636,188	116,182,649
Victoria	24,617,388	18,513,090
Total	158,824,578	139,257,301
Grand total	2,090,151,967	1,967,070,398

Robert W. Cummings of Pittsburgh secures franchise to build railway running from one end of Bermuda to the other, first ever to be built there, and work will be begun in several months.

September Construction Was Ahead of Last Year

For the second month in succession the total value of construction awards have exceeded those for the corresponding months of 1924. Throughout Canada the contracts awarded figures, as compiled by MacLean Building Reports, Ltd., totalled $29,746,400 compared with $22,506,300 for September a year ago. Residential building accounted for 25.7 per cent. of the August total and amounted to $7,651,300. Business buildings totalled $7,376,800 or 24.8 per cent., industrial buildings $354,000 or 1.2 per cent., and public works and utilities $14,364,300 or 48.3 per cent. The activity was distributed among the provinces as follows: Quebec, 51.8 per cent.; Ontario 33.4 per cent.; Prairie Provinces, 10.9 per cent.; British Columbia 2.6 per cent.; and the Maritime Provinces 1.3 per cent.

To the province of Quebec goes credit for the large contracts awarded totals recorded during the past two months. In fact the cumulative figures from month to month for that province have been consistently larger than those for last year. The increase of over $6,000,000 is due to increased development in the pulp and paper industry and in bridges, roads and other engineering projects.

IMPERIAL BANK

The following changes are announced by the Imperial Bank: D. P. G. Forbes, formerly accountant, Galt, has been appointed manager, East End branch, St. Catharines, vice Mr. Young, resigned. Queen and Palmerston branch, Toronto, has been amalgamated with Queen and Bathurst branch under the management of H. F. Western. A branch of the bank has been opened at Maymont, Sask.

The Consolidated Mining and Smelting Co., reports ore receipts at Trail smelter for the period Sept. 15 to Sept. 21, inclusive, amounting to 6.937 tons, and for the year to date 281,322 tons.

New York Stocks *and* Grain Futures

Our direct private wire connections enable us to offer prompt and efficient service in the execution of orders on The New York Stock Exchange, The Chicago Board of Trade and Winnipeg Grain Exchange.

Splendid Board Room and Ticker Service—Conveniently Located on the Main Rotunda Floor, King Edward Hotel, Toronto.

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F. C. Sutherland & Co.

Limited.

Members Chicago Board of Trade.

King Edward Hotel Bldg., TORONTO.

This issue having been over-subscribed for by investors, this advertisement appears as a matter of record only.

New Issue

$6,000,000

Southern Canada Power Company Limited

First Mortage 5% Thirty-year Bonds Series "A"

Dated October 1, 1925 — To Mature October 1, 1955

Principal and semi-annual interest (April 1st and October 1st) payable at the holder's option at the Canadian Bank of Commerce, Montreal, Toronto, Winnipeg, Vancouver and Halifax or at the Agency of the said Bank in New York City, in the United States Gold Coin, or in Sterling at its branch in London England, at the fixed rate of $4.86 2-3 to the £ sterling, without deduction for present or future taxes of any nature imposed by any taxing authority in Canada save any income tax which may be imposed on any person residing in Canada in respect to the interest on the bonds. Redeemable in whole or in part on any interest date on sixty days' notice at 102½ and accrued interest. Coupon bonds in denominations of $1,000, $500 and $100, with privilege of registration as to principal or as to principal and interest.

Trustee: Montreal Trust Company, Montreal

CAPITALIZATION

(On completion of present financing)

	Authorized	Issued
First Mortgage Thirty-Year Bonds (this issue)	$50,000,000	$6,000,000
6% Cumulative Participating Preferred Stock	10,000,000	4,500,000
Common Stock—Shares of No Par Value	100,000 Shs.	50,000 Shs.

The balance of the authorized bonds may be issued as debenture stock and/or bonds, in such currencies and series, and may be payable in such places, mature at such dates, bear such rates of interest, and carry such sinking fund provisions and redemption prices as the Directors may by resolution determine at the time of issue; all as will be more fully set forth in the trust Deed securing this issue. Of the unissued bonds $5,000,000 can be issued for the cost of—and the balance for 75% of the cost of—extensions and additions to property and plant of the Company provided in all cases that the net earnings for any twelve consecutive months out of the preceding fourteen are equivalent to 1¾ times the interest requirements of the bonds outstanding and those to be issued.

The Company and its Business: The Southern Canada Power Company, Limited, owns and controls, under leases from the Province of Quebec, which have 62 years to run, water powers on the St. Francis River, with a capacity of 160,000 h.p., of which 54,000 h.p. is developed and 106,000 h.p. undeveloped. It also owns 350 miles of high tension transmission lines and 325 miles of low tension distribution lines by which its service is carried to approximately 18,000 customers. Owing to the distribution of load, the Company operates under a very favorable load factor.

The diversity of the Company's business is shown by the fact that it has over 600 users of power for industrial purposes, and about 17,000 customers for the purpose of lighting, heating, etc. No large proportion of the Company's earnings is derived from any single industrial load.

The Power Plants, Transmission Lines, Distributing System, etc., of the Company have been conservatively valued at over $15,000,000, without placing any value whatever on the power rights, concessions and franchises owned by the Company.

In addition to the above assets, which the Company owns outright, it controls, through ownership of the Common Stock, the Sherbrooke Railway & Power Company.

Equity: The 50,000 shares of Common Stock and the $4,500,000 Preferred Stock have a present market value of over $8,000,000.

Security: These bonds will be secured by a First Mortgage on fixed assets, and a floating charge on other assets of the Company, as will be provided in the Trust Deed securing these bonds.

Purpose of Issue: The Company has $4,537,500 of First Mortgage Bonds outstanding under a mortgage authorizing a total issue of $5,000,000. In view of the rapid development of industry in the territory served, and the necessity for further financing in years to come, it was considered advisable to retire the old mortgage and place the company in position to make further extensions. This issue of $6,000,000 of new bonds will retire the old bonds and finance the additions now being made.

Territory Served: The Company serves 70 communities in that part of the Province of Quebec which is situated between the St. Lawrence River and the International Boundary. This district comprises 5,000 square miles and has a population of over 400,000. It is one of the most progressive and stable industrial centers in Canada, and labor conditions are unsurpassed. This district has excellent transportation facilities, being served by ten railroad lines.

Customer Ownership: The Company has always endeavored to promote and maintain cordial relations with the public it serves, and is gratified by the confidence bestowed in it by its customers, of whom about 25% (nearly 5,000) have become shareholders; over 90% of the Company's employees are also Shareholders. The high opinion of the Company's 6% Preferred Stock is evidenced by the present market quotation. The annual Customer Ownership campaign will be put on in October next, when a further block of Preferred Stock will be offered at par.

Growth: Being just north of the United States border, within a few hours journey of the New England States, this district lends itself readily to the establishment of branch factories of United States concerns. In the past five years over 20 new industries have been located in this district, which have expended $25,000,000 on plant and equipment and employ 6,000 hands. The steady growth of the Company is indicated by the increase in customers connected during the last twelve years:

1914	1919	1924	1925
2,260	9,000	16,217	18,400

Maintenance and Sinking Fund: The Deed of Trust securing this issue provides that the Company shall annually set aside a sum equal to 15% of its total gross revenue, to be known as "Maintenance and Sinking Fund." Of this amount, the Company may annually expend on items properly chargeable to maintenance and renewals, an amount equal to 7½% of its total gross revenue. The balance may annually be expended by the Company on permanent additions; any amount not so utilized shall annually be used by the Trustee for the retirement of bonds as outlined in the Trust Deed.

Earnings: Net earnings of the Company, after repairs, replacements and taxes, available for bond interest, depreciation and income tax certified by Messrs. P. S. Ross and Sons, for the years (ending September 30th) 1921-1925, inclusive, show the steady growth of the Company. These earnings are as follows:—

1921	$326,151.15
1922	412,625.50
1923	484,277.10
1924	635,396.75
1925 (eleven months actual September estimated)	700,000.00

Annual interest charge on bonds now being issued ________ $300,000

The completion of the new plant at Hemmings Falls and the discontinuance of the purchase of power immediately increased the earning power of the Company by a considerable sum. It also enabled the Company to start delivering a large block of power under contracts made some time ago for delivery as soon as available. The additional earning power derived from these sources amounts to over $200,000 a year and the earnings of the Company for the year ending September 30th, 1926, are conservatively estimated at $900,000.00.

All legal details in connection with this issue will be passed by Messrs Brown, Montgomery & McMichael and E. R. Perkins, K.C.

The bonds are offered when, as and if issued and received by us and subject to approval of counsel.

Price 97 and accrued interest yielding 5.20%

NESBITT, THOMSON & COMPANY Limited

MONTREAL TORONTO HAMILTON WINNIPEG

DOMINION SECURITIES CORPORATION Limited

TORONTO MONTREAL LONDON, Eng.

The information and statistics contained in this circular while not guaranteed have been obtained from sources we believe to be reliable and on which we acted in purchasing these securities.

THE FINANCIAL POST

Member Audit Bureau of Circulations
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Vice-President—HORACE T. HUNTER
Manager—GORDON RUTLEDGE
Editorial Director—F. S. CHALMERS
Editor—J. W. TYSON.

A weekly newspaper, presenting in a popular manner, reliable information respecting investments and financial affairs in Canada.

Advertising matter which has a tendency to mislead or which does not conform to business integrity, is declined. Acceptance of advertising will not deter the editorial department from making such comments as the situation may suggest.

Reading matter, other than official reports of annual meetings, will not be accepted as paid advertising unless marked "Advertisement."

No material from news bureau sources submitted for editorial purposes will be published, and no such bureau or individual should be paid any consideration, or given any credit for the insertion or inspiration of any item.

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The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulation, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A.B.C. Inspection.

THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

TORONTO, OCTOBER 2, 1925

THE HUDSON BAY PROMISES

PROBABLY in no other federal election campaign in this country have promises of expenditures for harbor dredging, docks, post offices, branch railways and other public works been received with greater disapproval by the taxpayers in general. Even in the constituencies to benefit there has been less enthusiasm than usual toward these pre-election favors.

Therefore, whatever the arguments may be for and against the spending of more money on the Hudson Bay railway and the development of a new northern route—and there is something to be said for the completion of the rail line itself, if that will accomplish anything without the spending of many millions on port facilities, the commercial usefulness of which is extremely doubtful—the case for this project is undoubtedly weakened by the suspicion that it is being used at this time to influence the vote in the middle West.

If the government's proposal to go ahead with the Hudson Bay line is received with disapproval throughout a great portion of Canada it will not be because of any feeling against spending money in the West—as it may be made to appear—but because taxpayers are fed up with spending money on railways in any part of the country. Of course, the fact that the case for the Hudson Bay route as a commercial project has not been established, is a factor in the situation, but this is not nearly so important with the great body of taxpayers as the desire that a curb should be put on government expenditures.

PUBLICITY THE SAFEGUARD

PUBLICITY, as the most effective method of fighting fraud and deception in the sale of securities, merchandise and service, was stressed by business men, government officials and publishers in addresses before the National Better Business Commission of the Associated Advertising Clubs of the World, at Indianapolis last week.

"Fakers and promoters find the printed word convincing and profitable," said H. J. Donnelly, solicitor of the Post Office Department, Washington. "Swindlers fear publicity above anything else, because it conveys to their prospective victims the thought of investigation before purchase, destroying their business wherever the exposure becomes known."

Experience with so-called blue sky legislation, designed for the protection of the investing public, indicates that, while certain regulations are efficacious, the absolute safeguarding of those who would speculate is impossible, and efforts in this direction by law are likely to have a boomerang effect when clever promotors can secure the official stamp of approval for their dubious stock issues.

Protection of the investing public is being more and more generally recognized as a matter of education rather than of legislation. After all, can it be expected that government appointees will prove better judges of what investors shall or shall not buy than the individuals who are investing their own money? Realizing this situation, the investment bankers are becoming an increasingly important factor in educating the investing public through informative publicity.

THEY'LL TELL THE WORLD

THE immigrants brought to Canada this season under the Empire Settlement plan and located in Ontario, Western Canada and parts of the Maritime Provinces are said to number 500 families. According to the field agent of the Canadian Immigration Department, these are all satisfactorily settled and the letters they are writing home are expected to influence a much heavier movement of immigrants next season.

This is the kind of advertising which will prove most effective in bringing Canada more settlers. When newcomers score immediate success and tell about it, they will immediately be followed by others. Canada's department of immigration has no more important task than to see that those who come to this country are given every reasonable opportunity to realize that success which this rich country holds in store for those whose energies are properly directed. Success finds a way to do its own broadcasting.

FIRE THE FOE OF PROFITS

FIRE causes losses that the insurance companies can never make good. Fire destroys more than buildings and merchandise; it disintegrates management and saps goodwill.

No honest man wants a fire. He does not want fires in his community any more than in his own property. Every time a fire breaks out in his town or city, he pays a part of the cost. He pays his share in premiums on fire insurance policies, for fire insurance rates must be largely dependent upon the fire loss ratio among his citizen neighbors. He pays, again, in the cost of fighting fires, for it is quite obvious that a part of every dollar of taxes goes to the upkeep of the local fire department. He pays a third time for every fire that breaks out. Fires throw people out of jobs, temporarily or permanently, and when people are jobless they can not buy as much as when their pay envelopes come in every week.

The business man's interest in fire prevention is one of self interest. October 4 to 10 is Fire Prevention Week in Canada. It is a week when business men can do much good work to help keep themselves profitably in business.

WHAT MR. DRURY DID

THE definite nomination of Hon. E. C. Drury, former U.F.O. premier of Ontario, on the Progressive ticket is one of the campaign events of the week. While they may differ to some extent from Mr. Drury's economic views, the sound business interests of the province have come to recognize in him a courage and honesty of purpose in public life which have won their respect and even admiration.

Although handicapped by political necessities and a lack of experienced associates while prime minister of Ontario, he had the courage to take a firm stand against the ill-judged Hydro Radial program which was put forward on the wave of public ownership popularity and by so doing saved the ratepayers of the province many millions of dollars. He foresaw those weaknesses in the proposal which have already been confirmed by events when even the railroads are adopting the motor bus as the most efficient agent in the handling of local freight and passenger traffic.

Mr. Drury deserves his place in history as one public man who did his duty in preventing the further piling up of the country's transportation debt.

EDITORIAL NOTES

A HALF holiday for voting may or may not get the desired results. How about the people who will not want to spoil their half holiday by taking the time to go to the polling booth?

* * *

WHEN the price of wheat rises it is regarded as the proper working of the law of supply and demand, but when there is a similar decline it is called manipulation and all sorts of unkind things are said about the established marketing methods.

* * *

NOT one crop failure in Manitoba this year, according to the provincial department of agriculture. Which is just another reason why Canada has a right to expect an improvement in immigration, and that an aggressive policy be adopted by the federal government.

* * *

ONE of the best indications of returning prosperity in Western Canada is the talk of a real estate boom on the Coast. Of course, sane business men do not want another boom in the West, but then, booms have always had a way of defying sane business men.

* * *

THE crux of the railway rate problem has been put before the Railway Board at Ottawa by Premier Baxter, of New Brunswick, who says that the only means to make up lost revenues through rate reductions "are increased general taxation upon the people of Canada, or a reduction by the railways of the wages paid to their employees; there are no other alternatives."

* * *

THERE is work for the government employment service in the placing of surplus available in different parts of the country at different seasons of the year. That is in the public interest. But we doubt if the heavily burdened taxpayers should be asked to contribute to the upkeep of a service which places professional men at $250 a month, as reported by the Toronto branch of the service. People receiving such salaries or concerns able to pay them should be able to conduct their own negotiations without the aid of the government.

Abolishing Income Tax as Step to Prosperity

On the basis that the most effective way to deal with Canada's taxation problem, to bring relief to a great body of the public, thus increasing buying power and creating general prosperity, is to abolish entirely the income tax, the Retail Trade Bureau of Canada has launched a vigorous campaign to that end. It is proposed by the bureau to bring down a bill in the House of Commons early in the year which will dispose of the present income levy. In the interval meetings to educate public opinion are to be held in every town and city in Canada and a special speaker has been arranged for each province. It is estimated by the bureau that there are 170,000 retailers in Canada and that if they get behind such a movement in the interests of better times public opinion will be effectively aroused.

The abolition of the income tax is being asked on the ground that it is unsound in principle and discriminatory in application, the result being that industry is discouraged, and capital scared out of the country or into conservative investments, while the burden of the tax is paid out of the moderate incomes of the great earning classes. As to what will take its place in providing revenue it is contended that the increase in business which will result will more than make up the $40,000,000 estimated for this year in the enlarged returns from the sales tax. The experience in the United States, where a reduction in income tax was followed by a marked revival in business, is pointed to as justifying this contention.

In an interview with The Financial Post, E. M. Trowern, Dominion executive, director and secretary of the Retail Trade Bureau of Canada, has outlined the aims and objects of the income tax abolition campaign.

Mr. Trowern first undertook to point out that there are in Canada to-day eleven different forms of Dominion taxation:

1. Customs tariff.
2. Excise taxes on various commodities, such as matches, automobiles, beverages, cigars, wines, etc.
3. Income tax.
4. Tax on sales.
5. Licenses.
6. Tax on corporations and companies.
7. Tax on cables and telegrams.
8. Tax on railway and boat tickets.
9. Stamp tax on cheques, drafts, bills, notes, stock transfers, etc.
10. Stamp tax on money orders, letters and post cards.
11. Stamp tax on receipts.

"And in addition to all these we have municipal and provincial taxes," said the secretary.

Mr. Trowern quoted Adam Smith as laying down the following four principles for taxation: 1, equality or ability; 2, certainty; 3, convenience; 4, economy. Andrew Mellon, secretary of the treasury at Washington, had laid down three principles to guide the administration of the income tax: 1, it must be scientific; 2, it must not disturb business; 3, it must get the most money with the least squeal.

Where Income Tax Fails

"The income tax as applied in Canada to-day," Mr. Trowern pointed out, "has none of the qualities that Mr. Mellon refers to, and none of the qualities that Adam Smith refers to. They have divided the tax into three parts. There is what they call the 'normal tax,' then they have a 'surtax,' and then they have an additional tax.

"'But here is where the whole scheme fails. All men are not honest. If they were, they would make honest returns. Any system of taxation—I do not care where it is or what it is—that trusts the honesty of the people to put in a report is fundamentally wrong. The manner in which our income tax is collected leads us directly into temptation. The amount of income tax collected during the fiscal year 1921-22 was $101,500,021; in 1922-23 it was $72,743,000; and in 1923-24 it was only $58,956,708. Now surely that proves one of two things; either the tax is killing the business of the country, or people are learning how to dodge it.

"Here is what is happening among the agricultural class:

"In 1918-19, 4,971 farmers paid $350,111.

"In 1919-20, 9,477 farmers paid $498,111.

"In 1920-21, 16,598 farmers paid $562,597.

"In 1921-22, 18,841 farmers paid $1,299,104.

"In 1922-23, 8,220 farmers paid $473,049.

"In 1923-24, 4,663 farmers paid $275,626.

"During a period of five years the farmers have paid $3,108,489; the professional people paid $11,253,985; the merchants paid $24,908,753; the manufacturers (not including their surtaxes) paid $8,086,564; and the employees—and this is an example of the unfairness of the thing—the employee is given a form to fill in; the government is not going to take any chances with him, so they send the form to the employers to have it confirmed; consequently they have got all these employees tied up, and the employees of this country contributed to the government during the five-year period $61,467,780.

"Please do not get the idea that I am opposed to the payment of taxes. I think we all ought to pay taxes, but I am opposed to an unfair system of taxation, and this income tax is the most unjust tax that was ever placed upon humanity.

"While he does not seem to realize it, it is the consumer who is paying this tax and who ought to be the most interested party in any campaign to have it abolished The man who buys the article last is the fellow who pays all the taxes. True, the tax is put on the retail merchant and if he is a business man, the tax will go into his cost. Then the little consumer comes along and pays it. And when the consumers pay these taxes, how can they be expected to pay their bills?

"Here is another thing that is happening: Men are taking their money out of business and investing it in war bonds that are not taxed, or they are investing it in other countries. And they are leaving in their trail thousands of unemployed. You cannot choke off enterprise and energy without producing the very result that you do not want. The manufacturer who makes a million dollars has no more right to pay $650,000 to the government than I would have to pay $150 or $200 if I only made $5,000.

"The Citizens' Research Institute of Canada is convinced, after carefully studying the question, and from the experience of other countries, that considerable reduction in taxation can be effected without lessening the quality of governmental service or the ability of our governments to meet their outstanding obligations. The institute also believes that such reductions would result in greatly increased prosperity to the citizens of Canada.

"If the sales tax goes on increasing the way it has started out this year, we will have enough revenue from it to be able to remove the income tax altogether. We are also getting a lot of money from the tariff. You cannot dodge the tariff and you cannot dodge the sales tax. That is why I like them.

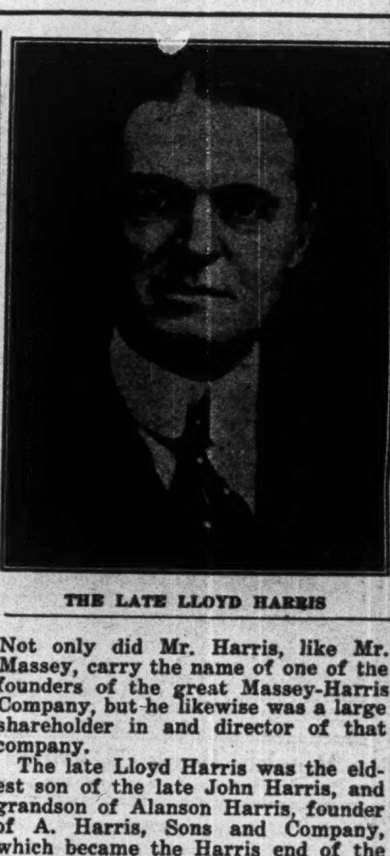
"The reason the Retail Trade Bureau of Canada has undertaken a campaign to have the income tax abolished is because it is one of the greatest offenders, because it is an outstanding interference with trade."

Lloyd Harris — A Public Servant Who Was Appreciated

It has come to be generally accepted that the man who would enter public life and give public service at the sacrifice of his own affairs must not only expect no thanks but even be prepared to take abuse. This has been shown to be the case all too frequently. It is one reason that it is so difficult to get men of real worth into public life in opposition to the political office-seekers. But there are notable exceptions which go far to restore confidence in the willingness of the people to give credit and accord respect for service well done. One of these exceptions has been Lloyd Harris, representative Canadian manufacturer and leading citizen of Brantford, whose sudden death has been a shock to the business and financial community of the whole country.

Not only had Mr. Harris played a prominent part in local affairs in Brantford, but he spent a term in the House of Commons and during the war served on the Canadian War Mission at Washington, being responsible for the spending of large sums on munitions contracts—and throughout these and other public activities he not only held the confidence of the public but was accorded a larger share of appreciation than is usually extended to men who so serve.

A dramatic side of Mr. Harris' sudden death had to do with his plans for participating in the approaching federal election as a Conservative candidate. Although in 1908 he went to Ottawa as a Liberal member, his ideas on Canada's fiscal program changed on the reciprocity issue and for some time he had had the idea that he would like to contest his home riding in the Conservative interests. In fact he had consented to accept the nomination which was to have been tendered him on the evening of the day on which he suffered the fatal stroke from which he never recovered consciousness. Had not death intervened his nomination as a Conservative would undoubtedly have created something of a political sensation in view of the significance which has been attached to the nomination of Vincent Massey on the Liberal side.



THE LATE LLOYD HARRIS

Not only did Mr. Harris, like Mr. Massey, carry the name of one of the founders of the great Massey-Harris Company, but he likewise was a large shareholder in and director of that company.

The late Lloyd Harris was the eldest son of the late John Harris, and grandson of Alanson Harris, founder of A. Harris, Sons and Company, which became the Harris end of the Massey-Harris Company. He was born in Beamsville, where the company was first formed, but as a lad moved to Brantford and received his education there. He had an early entry into business life and an important one. While but 21, he was sent to Europe, where he laid the foundations of the large export business of the company in pre-war years.

Among other positions which he held up to the time of his death were: President, Russell Motor Co., Ltd., Under-Feed Stoker Co., Ltd., Canada Glue Co., Ltd.; vice-pres., Willys-Overland, Ltd., Canada Cycle and Motor Co., Ltd., Machine and Stamping Co., Ltd.; director, Massey-Harris Ltd., Steel Co. of Canada, Ltd., Dominion Power and Transmission Co., Ltd., Trusts and Guarantee Co., Ltd.

Mr. Harris became perhaps best known to Canadians for his war-time activities. Not only was he chairman of the Canadian War Mission at Washington, but he served on the Imperial Munitions Board as representative at the American capital. After the war he went to England as Canadian representative in clearing up the aftermath of the business entailed by the war. At that time he was offered a federal cabinet post but declined. Later he again appeared in a public capacity as a member of the Gregory Commission inquiring into Ontario Hydro matters. And throughout these activities as during his career in municipal and federal politics it has been said that "no one ever threw a stone at Lloyd Harris."

Much as he was a Canadian, Lloyd Harris was also distinctly a Brantford man and he always took a keen interest in the affairs of that city and its people. He served on the city council with distinction, being for several years chairman of the finance committee. He was a past president of the board of trade, and at the time of his death, an active member of the Brantford Club, the Brantford Golf and Country Club, and the Brantford Rotary Club. He was an admirer of clean sport, being one of the backers of lacrosse when that national sport loomed large in that district. He was a lawn bowler, being a member of the Brantford Lawn Bowling Club, before golf played the part it does to-day.

In June, 1905, Mr. Harris had the honor of being presented to the late King Edward the Seventh at Windsor Castle. He was appointed Honorary Lieut.-Colonel of the 25th Brant Dragoons in 1909, resigning in 191[illegible].

Western Ranching Loses Colorful Character in Death of George Lane

By the death of George Lane, owner of the famous Bar-U ranch, Western Canada loses the most colorful character in the ranching history of the prairies. He arrived in Alberta in 1883, and, starting as a cowpuncher, became the best known man among the livestock fraternity, big and small in the whole West. He probably had more to do with making the country famous for cattle and horse breeding than any other one man. Nor was he known only in the West, for his marketing activities made him a familiar figure in the eastern Canadian and American cities, and in some of the Capitals of Europe.

To the old-timers of Alberta the removal of his tall figure and the silencing of his full voice that carried far when he very occasionally voiced his opinions at public gatherings will be a distinct loss. An admirer has written:

George Lane was essentially a doer of deeds rather than a talker and he has left an indelible impression on the life of his adopted province. He was not born under the Union Jack, but Canada had no more loyal or devoted citizen.

Once, much against his will, he ran for the local house and when the returns were in he enjoyed the unique distinction of having a majority at every poll in his constituency, yet he never spent a day canvassing, never made a speech and never announced a policy. Possibly that one circumstance explains the character and standing of George Lane better than volumes that might be written.

A few days before the election a friend, meeting him in Calgary, asked him why he was not in his constituency, and he said, "I told the boys when they asked me to stand that I would make no speeches, first because I can't make a speech, and second because I am too busy. They all know what I stand for, and if they elect me I will do the best I can for them." After his election he resigned in favor of someone needed for the cabinet, and it was always a matter of keen regret that he did not take his seat in the house.

When attending a delegation to Ottawa to try and get better conditions for the smaller cattle men, he said to Hon. T. A. Crerar, then minister of agriculture, "This needs to be done and done now; remember we are only the advance agents of our children."

He knew the West in all its phases and as a great rancher and one of the largest grain farmers of that province, he was just the same kindly faithful friend he had been as a cowboy, riding the range, 45 years ago.

George Lane was a great friend of the Prince of Wales, and, in the latter's behalf, purchased the royal ranch which adjoins the Bar-U. The Prince was his guest at the Bar-U on his first visit to the West in 1921 and was so favorably impressed, that he acquired his present property.

Mr. Lane was a partner in the Gordon, Ironsides and Fares Company for years and besides operating one of the largest ranches in the West, he farmed on a big scale.

$575,000

City of Ottawa

5% Bonds

Principal and interest payable at the option of the holder in Ottawa, Toronto, Montreal and New York.

Denominations: $1,000; $500 and odd amounts.

Price: Rate to yield 4.85%

Maturities: July 1, 1933, to July 1, 1944

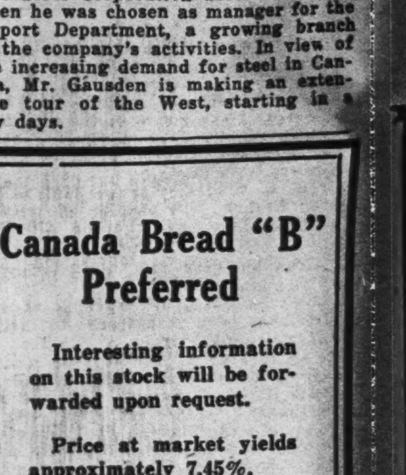
Cochran, Hay & Co., Limited
INVESTMENT BANKERS
TORONTO
Dominion Bank Bldg.
KITCHENER 63 King St. West
LONDON Royal Bank Chambers

Personal

WILLIAM H. BROUSE, founder of the investment house of Brouse, Mitchell & Company, whose death occurred in Toronto a few days ago, was widely known in financial circles, being for many years closely identified with the affairs of the Toronto Stock Exchange of which he was treasurer in 1906, vice-president in 1908 and 1909, and president in 1910; he was also chairman of the building committee which was largely responsible for the present exchange structure. The late Mr. Brouse, who was born at Prescott, Ontario, was a son of Hon. Senator W. H. Brouse, M.D. He was educated at Prescott High School and was called to the bar in 188[illegible]. In 1885, he became a member of the legal firm of Beatty, Blackstock and Company, but in 1897, entered the brokerage business. later establishing the firm which bears his name and from which he retired in 1917. Deceased was a member of the Toronto, York, Toronto Golf, Royal Canadian Yacht, Thousand Island Yacht, New York City Everglades and Palm Beach Clubs.

CLAUDE E. GAUSDEN, who has been appointed to succeed the late E. [illegible] Merrill as general manager of steel sales in the British Empire Steel Corporation, is still in his early forties. Mr. Gausden saw service in the South African war and has spent nearly all his business life in the coal and metal trades. He first came to Canada in 190[illegible] as the representative in Eastern Canada and Newfoundland for Drummond, McCall & Co. Subsequently, in 1911, he became Canadian managing director of Heap & Partners, two years later joining the Scottish firm of A. G. Kidson & Company, for whom he opened offices in Montreal and New York.

In the course of his career, Mr. Gausden has traveled throughout the countries bordering the Pacific and knows every golf course from Cairo to Yoko-



hama almost as well as Whitlock, where he is a regular player.

His connection with the British Empire Steel Corporation dates from 1922, when he was chosen as manager for the Export Department, a growing branch of the company's activities. In view of the increasing demand for steel in Canada, Mr. Gausden is making an extensive tour of the West, starting in a few days.

Canada Bread "B" Preferred

Interesting information on this stock will be forwarded upon request.

Price at market yields approximately 7.45%.

J. L. Goad & Co.
Limited
Investment Bankers
Dominion Bank Building
Toronto

October Investment List

A new investment list, containing offerings of securities of Canada's Governments, a number of her important cities and other municipalities, and a list of odd amount bonds is now ready for distribution.

The securities of the Dominion, her Provinces and Municipalities are a most satisfactory type of investment, giving a maximum of security. There are, in addition, a number of attractive corporation securities included in the list, which give the investor larger incomes.

The yields vary from 4.25% to about 7.12%.

Copy of investment list on request.

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Your Investments

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Vipond

Perth Inquirer.—Do you think Vipond mine well managed and has it a bright future?

Vipond is well managed. It is in the hands of Doctor McIntosh Bell, who is managing director of the Vipond Company and of the Keeley Silver Mines and the Canadian Lorraine Silver Mines as well. We understand that the mine has opened out well of late below the one thousand foot level. Ore reserves show a considerable falling off as shown by the recent annual report. The company has maintained production around about $50,000 per month. Its cash position is regarded as strong and well able to take care of the development now in hand.

Continental Casualty

Banker, Alberta.—Would like to have your opinion as to the standing of the Continental Casualty Co. I have a sickness and accident policy with them and cannot find them listed in your advertisements. Is this company financially strong and do they meet their claims promptly?

The Continental Casualty Co. has been licensed to do business in Canada for eight years, and may be regarded as a reliable company to do business with.

The assets in Canada of the company were $448,000 at the end of 1923 and liabilities, $260,000.

Any company with a Dominion license is required to maintain provision to give full protection to its policyholders.

National Life Preserver

P. C. C., Newfoundland.—Would you recommend buying a limited amount of shares in the National Life Preserver Co. of Canada, as offered by the Fidelity Securities Corporation, Montreal, as a reasonably sound speculation?

We have had several inquiries re the stock in the National Life Preserver Company of Canada. From your letter we judge that you are connected with the shipping business; do you think it likely that many owners of vessels would be inclined to purchase these life preservers? We figure that the company will have a hard time selling many of these suits, and, for this reason, we believe that the stock is only a fair speculation.

A company was formed some time ago in the United States manufacturing and selling these suits. As far as we have been able to learn, it has not met with success. This company owns the Canadian and British Empire rights to the suit.

C. P. R.

Banker, Ontario.—We shall be glad to know what you would advise in the matter of C. P. R. as an investment. We have a client who holds a substantial amount of this stock which he could dispose of to-day at a fair profit. Do you consider it a good hold for regular dividends?

The Canadian Pacific has paid its dividends regularly for years and years and should continue to do so. If your client bought C. P. R. recently with the idea of making a profit, when the road earnings would increase due to the better harvest, it seems to us that now is the time to sell it.

There is just one answer to questions on the value of C. P. R. stock. If you believe that Canada is going to make steady progress from now onward, it means that the Canadian Pacific Railway will make steady progress, too. If, however, you figure that Canada will have, say, another five years of business stagnation, it seems that now would be the time to sell the C. P. R. stock.

Argonaut

Toronto Reader.—What about Argonaut and its financing plans? Do you think the shares are worth while or should I sell at once? I notice they have a heavy bonded debt and it looks like as if shareholders will have to wait a long time. How did the stock come to go to $1 some time ago?

We do not know what Argonaut refinancing plans are, but are informed that they are going to sell new stock at 65c. a share. If you are holding any of the stock, it would likely give you a few points more if you wait until they are doing their new financing. There has been no statement on ore reserves issued in some time. Such figures should be forthcoming when the new shares are offered.

In regard to the flurry that put the shares up to $1, we have always attributed it to manipulation. Later a row broke out between Toronto and Montreal brokerage houses over the matter. When the stock passed the 80c. mark, some of the Toronto brokers who were in on the deal started to ease their clients out. The real selling came after the stock passed 90c., and before it got to its goal, $1.

Hollinger or McIntyre

Banker, East. Ont.—One of our clients intends to make an investment in either Hollinger or McIntyre and asks my advice as to which I consider the best buy. I should judge that you think McIntyre has better prospects and would be obliged if you would kindly confirm this.

We regard both the Hollinger and McIntyre mines as being very good investments. Each in turn has very excellent speculative chances. In the latter connection we regard the McIntyre as being the better. The present price of Hollinger is around $14.90 a share and on this the yield is 7 per cent. The company pays eight cents per share every four weekly periods, of which there are thirteen in a year. Hollinger has outstanding 4,920,000 shares of stock which at the market value of $14.90 means a total valuation on the mine of $73,308,000. In 1922 Hollingers earned $1.06 per share and paid sixty-five cents per share. In 1923 it earned sixty cents and paid sixty-five cents, and in 1924 earned $1.04 and paid sixty-five cents per share. Hollinger is gradually increasing its tonnage and is now handling around six thousand tons per day, while the mill heads or the average content of the ore are standing up very well. Recent figures show that there has been a very material increase in production this year as compared with the first six months of 1924. It is the plan of the company to ultimately put capacity to 7,500 or 8,000 tons daily. This will give it an immense earning power and should ultimately result in a material increase of dividends, with a consequent rise in the value of the shares.

McIntyre, for the year ending June 30 of this year, shows earnings of $2 per share, and dividends paid $1 per share. The present price of the stock is slightly over $19, and the yield on this, the stock being par value, $5, dividend rate 20 per cent., is around 5 per cent. The recent statement of McIntyre showed that the company has ore reserves of $15 per share and has outstanding 800,000 shares which, at the present market, puts a valuation on the mine of $15,250,000. Indications are that McIntyre will ultimately work up from its present level of something better than one thousand tons per day to a three or four thousand ton daily proposition. Your client might be well advised if he is going to put any great amount into the mines, to perhaps split it between Hollinger and McIntyre and, perhaps, taking a little more of the latter.

Ore Milling Problems

U. S. Metallurgist.—Could you advise me on any of the developed gold mines where values are so near equal milling costs as to leave but little margin of profit? I want to learn of the mines having milling difficulties.

All the mines of the Kirkland Lake Camp proper have been experiencing difficulties. The reason for this is that the extraction has not been what it should have been. The ore is very rich and the tailings are much higher than they should be. This whose problem is one of tellurides. They have not been properly oxidized to allow for a maximum of extraction. These companies have had the professors in a couple of universities working on their tailings for some time, and have now devised a scheme whereby they can float the tellurides out of the circuit after leaving the ball mill and treat them chemically and float them back in again before they reach the tube mill. In other words, for the present, at least, I think the companies have the matter fairly well in hand themselves.

The Argonaut Gold Mining Company, which is on the extreme eastern part of the Kirkland Lake belt, has been having difficulties for some considerable time. Their ores contain considerable copper. The head office of this company is in Montreal, and the president is J. G. Rainville.

Keeley

Another Banker.—A customer holds an investment in Keeley which has been favorably spoken of by you. He paid $2 per share. What is your opinion as to the future of the mine as its stock has been steadily depreciating in price?

It is very difficult to explain or get any explanation of the recent decline in the price of Keeley shares. Our information is that the mine is standing up as well as ever. Production has been maintained at the rate of 125,000 ounces monthly ever since the mine came into production. A dividend is being earned, and while there was a fairly large reduction in ore reserves, as shown by the last annual statement, we understand that, since that time, the company has made very good progress in opening up new ore besides development to the west which has been very satisfactory and promises to open up more which had not hitherto been considered in the ore reserves. Frankly, we have no knowledge whatsoever that would lead us to change the good opinion which we have always held of the Keeley operations and its management, other than to perhaps add that, as we have frequently pointed out, silver mining is more or less precarious inasmuch as the depositions of ore are never as deep-seated as those in a gold mine, and as has been the case with many of the Cobalt mines, the bottom is bound to be reached sooner or later. Keeley recently acquired a new property in Gowganda.

Further Suggestions On Investing $100,000

A subscriber to The Financial Post, an Ontario business man, who has about $100,000 to invest has asked for suggestions as to suitable securities for these funds. Leading investment houses have been asked to submit ideas. Some suggestions have already been published and others are given below:

Cochran, Hay & Co., Toronto.—We would suggest the undermentioned securities for the investment of $100,000:

$10,000 Dominion of Canada 4½% bonds, due 1940 to yield 4.75%.

$10,000 City of Ottawa 4½% bonds, due 1942 to yield 4.85%.

$10,000 Pacific Great Eastern Railway, guaranteed by British Columbia, 4½% bonds, due 1942 to yeild 5%.

$10,000 Dominion Telegraph 5½% bonds, due 1978 to yield 5.25%.

$10,000 Jamaica Public Service, 6½%, due 1943 to yield 6.30%.

$10,000 Toronto Harbor Commission 4½%, due 1953 to yield 4.85%.

$5,000 Alexandra Apartments, 6½% bonds, due 1943 to yield 6.40%.

50 shares American Telegraph and Telephone 9% stock to yield 6.43%.

50 shares National Grocers, 8% pref. stock to yield 8%.

50 shares Consumers Gas 10% stock, to yield 5.88%.

50 shares Bell Telephone 8% stock, to yield 5.70%.

50 shares Dominion Power & Transmission 7% pref. to yield 7.25%.

The above mentioned securities give an average yield of about 5.85%, and any of the foregoing can be described as being conservative investments.

G. A. Stimson & Co., Toronto.—Regarding the investment of $100,000 we would suggest:

$10,000 Dom. of Canada 4½% bonds, due 1940 at 97.25, to yield 4.75%.

$10,000 Dom. of Canada guaranteed G. T.P., 3% bonds, due 1962 at 70½, to yield 4.70%.

$10,000 Prov. of Ontario 4½%. debenture stock due 1945 at 93, to yield 5.06%.

$5,000 Prov. of Alberta guaranteed A. G. W. Rly. bonds, due 1959 at 98 to yield 5.12%.

$5,000 Prov. of British Columbia P.G. E. Rly. debenture stock due 1942 at 94.35, to yield 5.00%.

$10,000 Canada Bread 7% pref. stock at 95 to yield 7.35%.

$10,000 Toronto Bond Exchange 6% debentures due 1945 to yield 6%.

$10,000 Canadian bank stocks to yield 6%.

$10,000 Maple Leaf Milling common shares at 95, no present income.

$5,000 Atlantic Sugar ref. 7% cumulative pref. at 80, no present income.

$5,000 Canada Bread common at 60, no present income.

$5,000 Atlantic Sugar ref. common at 34, no present income.

$5,000 City Diary common at 90, yielding at present 3.33%.

Seventy per cent. of the above securities were selected to provide a fair interest return with a maximum of safety through a diversified holding, having a good loan value and a ready market in case of necessity for a quick sale or temporary loan.

We consider that the balance of the securities provide the investor with good future possibilities for a substantial increase in both capital and income, while at the same time they have a ready market and fair loan value.

Suckling & Garrett, Toronto.—We do not hesitate to suggest that your subscriber would be well advised to invest his $100,000 in first mortgages on Toronto residential properties, which grade of security is the oldest and safest form of investment known. Mortgages give an interest return of 6½ and 7 per cent. The safety of the investment is assured as the leading life insurance companies and loan and savings companies of the Dominion invest their surplus funds in first mortgages. Mortgages increase in value according to the properties on which they are made. Mortgages may be drawn for five of ten years. Always salable to mortgage companies and private investors. Yield 6½ per cent. and 7 per cent. with interest dates and principal (optional) every six months. Can appoint your own solicitors to do the legal work and the borrowers pay all expenses.

Current Opinion

BETTER THAN ANY OTHER

Grain Trade News: Because they have nothing else with which to compare it, our farmers can hardly appreciate the advantage of the grain handling system in Western Canada. In Australia during the past season, where grain is handled in bags, there have been serious losses from the defects in bags and damage of various kinds. Australian farmers must secure their own bags, and if a used bag is cheaper than a new one, it is inevitable that many such will be employed, and that chances will to taken. Wheat handlers in the State of Victoria have decided that for the coming season they must make a deduction of 6d per bag on all grain shipped in second-hand bags. It is estimated that even this charge may not fully cover the loss, judging by the experience last year. While it is necessary to pay something for the perfection of the system we have, the net cost is very low as compared with any other system in the world.

A FACTORY FOR BRAINS

Vancouver Province: Far north in Scotland, at Stornoway, in the Island of Lewis, the Nicolson Institute achieved a reputation in days long gone, as "a factory for brains," so great was its influence on the people who made use of the educational facilities it afforded. On his return from northern British Columbia, the other day, Mr. John Kyle described Anyox as "one huge technical school." Early in the history of the town, the mining company saw the advantage of encouraging study among its employees, took up the night school idea enthusiastically, secured excellent teachers and placed its offices and equipment at the disposal of those who wished to better themselves educationally. At Anyox, Mr. Kyle reported, there is the best technical library in the province, outside the library of the University, and the night school students have the use of it. It is quite evident that in the days to come Anyox will be turning out more than copper. British Columbia, too, has a factory for brains in her far north.

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Insurance Not Exempt From Death Duty Requirements

But Provides Excellent Means of Meeting Cash Needs in Emergency — Two Provinces Exempt Insurance Earmarked for Death Duty

DEATH DUTY APPLIES TO INSURANCE

Your insurance policy is subject to the Succession Duty. A false impression to the contrary seems to have gained headway. If you live in Manitoba or Alberta you will be well advised to have a policy made out specificially to pay your succession duty, and have it made payable to the provincial treasurer or an executor. This at least will be exempt. If you live in one of the other provinces you cannot to better than to provide insurance for the purpose.

Point number one in connection with life insurance and death duties is that insurance policies are not exempt. Mention was made in a previous article of the man with an estate of $75,000, largely in insurance, who thought his estate was free from the duty because it was insurance. And he is not alone in his error. However the impression came, the experience of the trust companies shows that it is a fairly general one. There are two of the provinces, Manitoba and Alberta, which exempt policies specially earmarked for the purpose of the payment of succession duty, when such is made payable either to the provincial treasurer or to an executor. But this is merely an exception to the otherwise universal rule in Canada.

There are decided advantages in providing an insurance fund for the payment of the death duty. When the head of an estate dies, governments immediately throw a circle around his property and those administering the estate are subject to government requirements. Until these requirements are satisfied the estate cannot be settled. The government requires its settlement in cash, and that within a reasonably short time. If an insurance policy has not been provided for this purpose, cash will have to be raised elsewhere. Rarely does an estate carry adequate cash to meet this requirement. Most of it is in the form of investments of some kind. The sudden demand for cash means that some securities or some property will have to be sold and chances are about 50 per cent. that the securities will have to be sold in in unfavorable market. The removal from an estate of a substantial amount of cash may be serious in itself. It is still more serious if the cash has to be raised at a sacrifice. But in the case of a life insurance policy, the money is automatically made available by the death of the insured. It is a sinking fund provided against the payment of the succession duty.

Yearly Payments Build the Fund

The idea of contributing annually or periodically towards a fund that will simplify the whole matter for the widow or other beneficiary, rather than the necessity of raising a large sum in cash at a moment's notice, suggests itself immediately to the careful investor. In actual practice, rather than paying the premiums in cash, provision is often made for the payment of the premiums out of the earnings of certain securities. In this way, the estate more or less automatically takes care of itself, both before and after the death of its head. This is true not only in those provinces which exempt an earmarked policy, but elsewhere as well. After all, the only special advantage in these two provinces, is the exemption of that portion of one's insurance which is actualy specified for the purpose. Elsewhere in Canada, this particular exemption does not apply, but the outstanding advantage of providing insurance for the death duty does.

The type of insurance best adapted to this purpose will differ with different individuals. All of the companies have made a study of the problem and will subscribe the best policy to fit the case. The funds realized may be invested immediately after the death until the payment is required by the government, which is sometimes six months or more. This period otherwise often means a dead loss in interest, since the securities may have to lie idle until the estate is probated.

It is clear from the example outlined, that the life policy provides a remarkably satisfactory means of looking after one's succession duty payment. It can be handled conveniently — almost automatically, during lifetime, without any need for worry about disposal of one's estate after death. It provides funds immediately available, and there is no need of the money lying idle for months pending the settlement of the estate. It will eliminate the necessity of selling securities quickly. It gives the father or husband the assurance that the money will be spent for this purpose and this alone. He need not worry about the "sharks" who follow obituary columns to sell their often worthless stocks. The policy has been earmarked for the specific purpose, in those provinces which exempt such a policy. Elsewhere it has been made payable to a preferred beneficiary, to an executor, or to a trust company, with definite instructions as to its disposal. It is worth the while of anyone who has $5,000 or more in insurance to begin preparing a fund to meet his death duty requirements. Like all insurance, the sooner started, the smaller the cost.

Canadian Railway Ownership

Editorial from The Financial News, London.

Under the heading of "Shall Canada Merge its Railways or Sell the C. N. R. to Private Owners?" the Toronto Financial Post deals dispassionately with the great railway problem at present before the Dominion. Our contemporary holds that the suggested state purchase of the Canadian Pacific and its merging into the existing National lines is out of the question, for two main reasons. The first is that purchase of the C.P.R. at anything like its real value represents a liability that the government could not assume, and purchase at anything short of the real value of the property "would be confiscation." We agree with the conclusion, but are not quite so sure about the premise, inasmuch as it may be taken for granted that any proposal for nationalization would not embody a lump-sum payment, but would be confined to guarant eing existing holders their present interest or dividend. The second reason and the "determining objection" is that:

Canada's railway nationalization experiment has given us a warning that we must heed. Complete nationalization . . . would result in the creation of what would be tantamount to an economic and political menace without parallel in the history of Canada, a country which has had a lengthy history in state ownership experiments, and a history not without its serious lessons.

We may content ourselves with remarking that this is the comment of a Canadian and not of an English newspaper.

It is quite clear that our contemporary is strongly averse from any extension of government ownership, since it declares that the only two feasible proposals, assuming the non-maintenance of the status quo, are either the sale of the National lines to a private undertaking independent of the Canadian Pacific, or the amalgamation of the two systems into a single privately owned and managed company, publicly controlled through the Dominion Board of Railway Commissioners. Both ideas are good, but we are afraid that neither of them would appear to be within the field of practical politics, inasmuch as they both involve the step of handing back state railways to private management. This would represent an admitted failure of the policy of nationalization, and would meet with the strongest political objection on the part of the numerous people who, in Canada as elsewhere, appear to believe that there is something fundamentally criminal in entrusting to private ownership and management an enterprise that has once been state or municipally owned. In this connection it is essential to bear in mind that the ending of the Canadian nationalization experiment today, when the state railway system includes the Grand Trunk and Grand Trunk Pacific, is a very different matter from what it would have been before the acquisition of those properties.

It is, however, interesting to note that the Financial Post considers that the Canadian Pacific would probably not object to the handing over of the National lines to a separate company. We can see no special reason for such an objection, since, under existing conditions, the C.P.R. is not merely subjected to competition, but to competition on an uneconomic basis, as the National lines are subsidized by the taxpayer (including the C.P.R. itself, which is the largest taxpayer in the Dominion, and thus helps to subsidize its rival), while political considerations have kept transport rates down to an unwarrantably low level. Competition on an equal basis, and with both parties at liberty to charge economic rates, would certainly be preferable. Moreover, as our contemporary points out, two private companies would be able to enter into any arrangements considered desirable for the elimination of unnecessary or unproductive competition. Under private ownership, the present National system "would be in business to make money. . . . . It would go after profits by curtailing expenses. . . . It would take some business from the C.P.R., but, on the other hand, would leave the C.P.R. business that is now being taken away from it at a cost that private business would consider prohibitive."

The solution of the Canadian railway problem, as we have said before, is for the people of the Dominion to decide. But it is refreshing to find a responsible Canadian organ of public opinion putting forward with such clarity the view that there are other solutions beyond the fusion of the C.P.R. and the National lines, and that the existing public ownership of the latter system is not necessarily sacrosanct.

Henry Ford signs contract with Fleet Corp. for purchase of 200 vessels for scrapping at $1,706,000.

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Nearly 50 years of consistent growth have proven the earning-power of the pulp and lumber business of Fraser Companies, Limited.

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We recommend Fraser First Mortgage 6's as a desirable investment, yielding 6⅛% at the present offering price.

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THE NATIONAL CITY COMPANY CANADA

What the Market Offers

If you would like to have before you a diversified list of high-grade bonds available at this time, let us send you the October issue of our monthly booklet "Investment Securities."

Due to our world wide connections we are able to offer an extensive list for your consideration.

Following are a few of our recommendations, all of which are readily marketable.

Dominion of Canada
Guaranteed
(Issued by C. N. R.)
5% Bonds due February 1, 1954
Price at Market, to yield about 4.85%

Government of the Argentine Nation
6% External Bonds
Due October 1, 1959
Price to yield about 6.25%

Canadian Pacific Rly.
5% Bonds due April 15, 1934
Price to yield about 5%

International Paper Company
6% Bonds due March 1, 1955
Price to yield about 6.22%

U.S. Rubber Company
6½% Notes (Serial Issue)
Due March 1, 1934
Price to yield about 6.45%

The above bonds are offered subject to prior sale and change in price. Orders may be telegraphed or telephoned at our expense. Upon request we shall be glad to send a copy of the booklet mentioned above.

Write our nearest office.

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OTTAWA, 204 Union Bank Bldg.
QUEBEC, - 71 St. Peter Street
71

Letters to the Editor

A BUSINESS TARIFF POLICY

The Editor, The Financial Post:

In your issue of 25th inst. you say, "It is difficult to define, in a few words, what Canada's tariff policy should be; in fact, it would be difficult in many columns to define the most desirable policy, since no really practical analysis of Canada's tariff needs has ever been made."

Why not try the following definition?

"A tariff policy primarily based on justice, a policy which, while providing for the public use as large a revenue as may be desirable and practicable, will, so far as is humanly possible, leave to every producer all the results of his labor, except any amount taken for public use, and will not tax any individual for the benefit of any other individual or individuals."

Should not justice, that which allots to each man his own, be the foundation of all policy?

Yours truly,
GEORGE BERNARD.

Sept, 26, 1925.

TO DEFEAT EARTHQUAKES

Fully 80 per cent. of the property loss sustained in the recent Santa Barbara earthquake could have been prevented had good judgment, appropriate materials and sane structural engineering practice been used when the structures affected were built, according to Oscar G. Knecht, building inspector of Santa Barbara, in a statement made to the Santa Barbara Realty Board

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News of the Investment Market

BIG SURPLUS OF FUNDS AVAILABLE TO ABSORB BONDS

But American Money Rate May Become Factor in Prices

Although there is a big surplus of liquid capital available for investment by individuals and institutions, as reflected by the surplus of deposits in chartered banks, the total volume of bonds offered in Canada during the present year has been much smaller than during 1924. From this the conclusion seems sound that there are still ample funds seeking investment and that prices in the Canadian bond market should remain firm. On the other hand there are certain indications that the capital supply is being absorbed in the United States and higher interest rates are likely to materialize—in fact the commercial paper rate has already advanced—which will directly bear on bond prices and if there is a definite trend to lower levels in the New York market it must be expected that there will be some sentimental influence on prices in Canadian markets apart from the direct factor that American markets may be temporarily closed to the favorable selling of Canadian issues.

It has been estimated by A. E. Ames & Co. that the total of Canadian bonds offered during the first three-quarters of the year was $508,671,000 compared with $419,541,000 for the corresponding period of 1924. Both of these totals include bonds offered in the United States and Great Britain as well as in Canada. The totals of bonds offered and sold in Canada during this period were $305,397,000 and $184,561,000 respectively, or a decline this year of over $120,000,000. In connection with these figures, and pointing out that commercial loans by the banks are $77,000,000 less than a year ago, with a surplus of savings deposits of $375,000,000 over the total of such loans, Ames & Co. suggest.

Judging from the extraordinary volume of available funds and the lessened volume of bonds being offered in the Canadian market, it appears evident that it is desirable for investors with funds now in hand to make early selections and enter orders for securities desired.

The American Market

But the influence of the American situation should not be ignored even though this may be largely sentimental. The discount rate of the federal reserve bank continues at 3½ per cent. but surplus funds are being absorbed by the member banks and it seems logical that it will be only a matter of time until this rate is advanced. Already the rate on commercial paper has been increased to ¾ to a full point above the federal reserve rate and the rate on call money is high and fluctuating. Under these circumstances bond prices are irregular and there has been liberal selling at times which indicates what may be expected when the rate for commercial funds reaches a level to encourage the banks generally to dispose of their securities. Easier prices seem to be the prospect sooner or later in the New York market.

Issues Well Taken

In the Canadian market the recent provincial offerings have been well taken by institutions and the City of Vancouver issue has gone satisfactorily. Alberta and Ontario may be expected in the market in the near future and Toronto is also planning to borrow.

R. A. Daly & Co. Make New Connection at Boston

R. A. Daly & Company announce that the Atlantic National Bank of Boston, the third largest national bank in New England, has purchased their Boston business, now being carried on under name of R. A. Daly & Company, Incorporated, 50 Congress Street, Boston. The bank will use this business as the nucleus of a bond department to be carried on under the name of the Atlantic Corporation of Boston.

Mr. Clarence M. Warner and Mr. Henry P. Briggs, late in charge of R. A. Daly & Company, Incorporated, Boston, will be vice-presidents and directors of the Atlantic Corporation of Boston, and will be in charge of its activities.

The Atlantic Corporation of Boston will be the Boston correspondents of R. A. Daly & Company, Toronto, and R. A. Daly & Company will be the Canadian correspondents of the Atlantic Corporation of Boston.

Backs the Stand Taken on the Railway Problem

From Our Own Correspondent.

MONTREAL.—The announcement of a clear cut railway policy by both parties has been advocated in The Financial Post during the last week or two. The actual definition of the policies of each party is what business desires; this is once again reflected in the monthly booklet issued by the National City Company, Limited, which says:

"Many people believe that our present railway situation is the greatest stumbling block in path of our national progress. Standing, as we are, on the eve of a general election, should this question not be made the major issue? Let each political party state definitely what will be its railway policy and put forward its plans for the immediate amelioration of the present intolerable condition. The matter is of first importance to our national life, and whatsoever remedies are suggested should be placed before the electors, not in the form of vague promises or nebulous, but clearly and concisely, definitely, so that the public may more intelligently cast its vote for that policy which is in the greatest interest, not of east or west, nor of any single province, but of Canada as a nation."

Maritime Telegraph Redeeming Bond Issue

HALIFAX.—The Maritime Telegraph and Telephone Company, Limited, has decided to redeem its issue of one million dollars seven per cent. refunding mortgage bonds. These bonds were issued in 1920, to mature in 1945.

The bonds have been called for payment on December first, nineteen hundred and twenty-five, at par, with a premium of six per cent. and accrued interest. Payment will be made at the principal offices of the Canadian Bank of Commerce in Halifax, Montreal or Toronto.

The company has made provision for the redemption of this issue and therefore no immediate refinancing will be necessary.

When the million dollars of refunding mortgage bonds are redeemed the company will have outstanding one million five hundred thousand dollars six per cent. first mortgage bonds, and three million three hundred and fifty thousand dollars of shares both common and preferred.

The outstanding capital of the company will be as follows:

6% Bonds	$1,500,000
6% Pref. Stock "A"	1,000,000
7% Pref. Stock "B"	1,500,000
Common Stock	850,000

TORONTO TO BORROW ABOUT $3,000,000

Fall Financing Will Be Much Less Than Last Year, Says Commissioner Ross

The public offering of the city of Toronto to be made this fall would not exceed $3,000,000, was the statement of Geo. H. Ross, the city's finance commissioner, in an interview with The Financial Post. Last year there were two offerings, the first of $5,236,000 in April and the second of $9,971,000 in November. Of the April offering, $2,031,000 was for Hydro; and of the November offering, $1,039,000 was for Hydro and $7,900,000 for the Toronto Railway award.

"In view of the great number of provincial and municipal offerings that are being made," said Mr. Ross, "the street is speculating as to what the requirements of the city of Toronto will be. During 1924 two public offerings were made, but so far during 1925 the city has done no public financing whatever.

"The capital program for 1925 is the smallest in years," he continued. "New bonds to be issued this year will be some millions of dollars less than those to be redeemed, so that the gross debt at the end of this calendar year will show a satisfactory reduction. As the debt has been increasing at the rate of $15,000,000 to $20,000,000 a year, the swing in the opposite direction should prove very gratifying to the ratepayer. And as it is over a year since Toronto went to the market, the city would appear assured of a very favorable price."

THE HOLDERS OF RIORDON CO. BONDS GET 27 PER CENT.

Unsecured Creditors and One Bond Issue to Receive Nothing

From Our Own Correspondent.

MONTREAL. — On November 2, the final distribution of the assets of the Riordon Company will be made. In November, 1923, the court granted a winding up order to the company's creditors, and at that time Gordon W. Scott was appointed liquidator. His work in this connection is now complete and shortly a statement goes to the creditors showing how this first and final disbursement of the company in liquidation is to be made.

There remains from the crash sufficient money to pay a dividend of about 27 per cent. on the principal of the $6,180,000, 20 year, first mortgage, 8 per cent. bonds of the company, but there is not sufficient to make any payment on the $3,987,500 ten-year, 6 per cent. general mortgage bonds of the Riordon Pulp and Paper Company. Interest payments have not been met on either of these bonds since 1921. The unsecured creditors naturally receive no dividend on their claims either.

Properties Sold

Shortly after the liquidator was appointed, it was decided to sell the properties by public auction. The sale took place in September, 1924. By the conditions of the sale, the liquidator reserved the right to call upon the purchasers of the properties for such additional amounts as would be required in order to meet certain charges. These charges were ones which would have to be met in order to give the properties a clear title. The only bidders at this sale were the representatives of the bondholders' committee of the 20-year, first mortgage, 8 per cent. bonds of the company, and the 10-year, 6 per cent. bonds of the Riordon Pulp and Paper Company, to whom the properties were knocked down for the sum of $7,302,500.

In accordance with the terms and conditions of the sale, the purchasers were obliged to increase their bids by a further sum of $1,275,771. Other miscellaneous receipts made a grand total of $9,356,209. From this total was deducted the sum of $7,597,338, representing payments of various kinds, including legal and liquidators fees, claims of the government and several secured claims. This left a total of $1,758,871 to be distributed amongst the holders of secured claims and the holders of the 20-year, first mortgage bonds of the Riordon Company.

The total secured claims of the creditors amounts to $1,276,759—they will receive $100,802. The total claims of the 20-year, first mortgage bonds of the Riordon Company amount to $6,180,000; holders of these will receive about 27 per cent. of this, in all $1,668,068.

The payment of these dividends will leave nothing for the holders of the 10-year, 6 per cent. general mortgage bonds of the Riordon Pulp and Paper Company. Naturally, too, the unsecured creditors of Riordon Company also received nothing at all.

INVEST $3,500,000

Of the recent issue of Dominion of Canada 15 year 4½ per cent. bonds, the Metropolitan Life Insurance Company has purchased $3,500,000. The purchase was made from the syndicate composed of Dominion Securities Corporation, A. E. Ames & Company, The National City Company, Wood, Gundy & Company, Bank of Montreal, Royal Bank of Canada and Canadian Bank of Commerce.

The Metropolitan has now a total investment in Canadian government bonds of $47,686,900, and a total investment in Canada of $119,660,940,

UNLISTED BONDS
(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	100⅞	101⅛
Alabama 5% 1962	100¼	100¾
Algoma Steel 5% 1962	29½	31
Belding 5% 1936	85	..
Belgo Can. Paper 6% 1943	101	..
Brand.-Henderson 5% 1939	90	..
Burns. P. & Co. 6½% 1943	101⅞	103⅛
Can. National Rly. 5% 1954	100¾	101½
Calgary Brewing 5% 1942	83½	..
Can. Steamship Lines 7% 1942	99¾	100⅛
Can. Light & Power 5% 1949	40	42
Can. Pacific Rly. 5% 1934	99¼	99⅞
Can. Pacific Rly. 4½% 1944	92¾	93¼
Can. Steel Foundries 6% 1936	100	..
Dom. Iron 5% 1939	61	61¾
Dom. Power 5% 1932	96	97
Dom. Textile 6% 1949	105¼	..
East Koot. Power 7% 1942	101½	103
Frontenac Brewing 6% 1951	92½	..
H. Smith Paper 7% 1941	96½	97
Lake Sup. Paper 6% 1941	105	..
Laurentide Power 5% 1946	99¾	..
Laurentian Power 6% 1936	99¾	101¼
Maple Leaf Milling 6½% 1943	104	..
Man. Power 7% 1941	103¼	..
Mattagami 7% 1949	33	..
Montreal Steel Works 6% 1940	100	..
Prov. of Ontario 5% 1948	100⅛	101⅛
Nor. Ont. Power 6% 1931	98½	99⅛
Ontario Pulp 6% 1931	107	..
Price Bros. 6% 1943	100	101
Quebec Power 6% 1953	103	103½
South Canada Power 6% 1948	104	..
St. Law. Flour 6% 1941	95	..
Walmsley, Chas. 6% 1943	94¾	96½
Winnipeg Elec. 6% 1954	95¾	97½

Money Rates and the Business and Investment Outlook in U.S.

BOSTON.—The appearance of 6 per cent. call money introduces a new element into the situation, according to Hayden, Stone & Co., investment bankers. It may be urged that the 6 per cent. call rate merely reflected a temporary condition of the New York banks, but the fact remains that the rate for call money for several weeks has tended towards noticeably higher figures than at any previous time during the past year. It may further be pointed out that a higher call money rate might naturally be expected at this time when the demands on the money market for crop moving are steadily increasing. But whatever the reason for the rise, call money at 6 per cent. has been so unusual in recent years that it may well serve to bring up the question whether the long period of superabundant and cheap money extending since 1921 has not definitely passed.

As evidence that the volume of credit supply in the country's reservoir is gradually being lowered may be cited the fact that the federal reserve system's ratio of reserves is, at around 73 per cent., the lowest it has been in four years. It may also be shown that the ratio of cash held by the member banks is lower now in proportion to the total volume of loans and investments than at any time since 1921.

Granting, however, that measured by these indices the volume of credit supply is lower than since the reservoir was filled to overflowing by the deflation of 1920-21 the next question arises: "Has the supply been drained to the point where money rates must be raised so high as to put a check on business expansion and speculation?"

The period during which the Federal Reserve System has been in operation—excluding the war years—is so short that it offers rather meagre data for determining the probable limits to which the credit supply may be drained. But taking what is available, we find that in September, 1919, when a sensational rise in the stock market was still in progress—although it culminated two months later—the reserve ratio was down to 47 per cent. This was obviously dangerous, as was pointed out to the country at the time by the repeated warnings of the reserve board. The present position of 73 per cent. is apparently very comfortable as compared with the 47 per cent. ratio in 1919. In fact, two years ago in September, 1923, the ratio was 76.5, so that in these two years of great commercial and financial activity the drain has been so small that continued at the same rate we might go on almost indefinitely.

While it is true that the member banks have used up a considerable portion of their resources in the business expansion since 1921, they have as yet shown no tendency to avail themselves of the reserve system's credit. Rediscounts as of recent date stood at $488,000,000, which while somewhat above the $270,000,000 of a year ago, compares with $832,000,000 in 1923 and $1,873,000,000 in 1919.

It is probable that, given a continuance of present business conditions, money rates will tend to advance in the next six months or a year to levels that will be more effective in restraining speculation and the development of new enterprises. But it is the usual experience in this country that business naturally continues to expand until the credit reservoir is practically exhausted and as yet the supply is so large that the days of tight money are in the very vague distance.

BOND MOVEMENTS OF THE WEEK
WEEK ENDING SEPTEMBER 29

BONDS	Int. Rate	Due Year	Yield	Range 1924 High	Range 1924 Low	Range 1925 High	Range 1925 Low	Latest Price Ask	Latest Price Bid	Latest Price High	Latest Price Low
Asbestos	5	1942	5.94	83	73	99	80¼	—	89½	90	87½
Canada Bread	6	1941	5.61	102½	99	104	102	—	104	104	—
Can. Cottons	5	1940	5.62	99	88	94	91½	—	93½	93¾	—
Dom. Coal	5	1940	6.60	89¼	86	90	84⅝	87	80	84¾	84⅝
Dom. Iron	5	1929	8.04	89¼	86	94	86	89¾	—	89¾	89½
Montreal Trams	5	1941	5.28	95½	91	98¾	93	97¾	—	97	—
Ogilvie (A)	6	1932	5.05	104½	101½	105½	104	—	105½	105½	—
Quebec Rly	5	1939	5.57	91	80	98	89¾	95	94½	94½	94
Sau Paulo	5	1929	6.73	90	86½	94¾	91	95	94	94	—
Steel of Can.	6	1940	5.53	103½	103	105⅝	103½	—	103	104¾	104
Wayagamack	6	1951	6.85	86	76	98¾	84¾	89½	—	89⅞	89
Winnipeg Elec.	5	1935	5.79	91½	85¾	95½	92½	—	93¼	94	—
War Loan	5	1925	4.20	100.95	100.15	101.15	99.70	100.15	100.05	99.70	—
Do.	5	1931	4.55	102.45	100.60	102.65	101.00	102.35	102.25	102.15	102.00
Do.	5	1937	4.50	103.85	102.60	104.95	103.80	104.60	104.50	104.40	—
Victory Loan	5½	1927	4.30	103.05	102.05	103.15	102.05	102.55	102.45	102.60	102.20
Do. "	5½	1933	4.59	106.70	104.15	107.00	105.40	105.95	105.85	106.00	105.70
Do. "	5½	1934	4.94	104.70	102.85	104.80	103.20	104.05	103.95	104.80	103.80
Do. "	5½	1937	4.56	108.90	106.15	110.00	108.35	104.85	108.75	108.70	108.60
Do. Renewal	5½	1927	4.60	102.70	101.10	102.95	101.10	101.70	101.60	101.40	101.30
Do. "	5½	1932	4.94	103.90	102.10	104.20	102.85	103.50	103.40	103.35	103.30
Do. Refund	5	1928	4.82	100.85	99.40	101.45	100.15	—	100.45	100.35	—
Do. "	5	1943	4.83	102.85	99.00	102.90	101.15	101.95	101.85	102.00	101.75
Do "	4½	1944	4.72	97.15	97.00	97.75	96.05	97.10	96.85	97.20	96.75

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BIRTHDAY OF PRESIDENT OF INSURANCE CO.

The Ontario Equitable Life Insurance Company, of Waterloo, celebrated on, Friday, September 25, the birthday of S. C. Tweed, the president of the company. On behalf of the field force and head office staff, G. T. Baker, of Toronto, presented Mr. Tweed with a handsome silver tray, accompanied by an address. J. C. Breithaupt, on behalf of the directors, also spoke briefly in commendation of the position which the company has attained under the direction of Mr. Tweed.

Canadian Municipals in the "States"

Next to United States Government, State and municipal bonds and a few of the highest grade corporation securities, the investor in the "States" ranks the bonds of Canada and her great provinces and larger cities. Many States permit savings and trust funds to be invested in such bonds and thousands of other institutions and private investors are in the market for bonds of the provinces and cities of the Dominion.

Public officials in charge of provincial and city finance and bond dealers with securities to market, should not overlook this market in the "States" when seeking buyers for Canadian municipals. Embraced in your bond sales publicity campaigns should be publications circulating in financial circles in New York, Boston, Philadelphia, Chicago, Cleveland, Detroit, St. Louis, and other investment centers of the U. S.

There are in the United States many excellent financial publications. There is one logical place in which to advertise a provincial or municipal bond offering. That is—

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Feature Sections

of The Financial Post *for sale*

Every feature section of The Financial Post published this year has had a large increased circulation—substantial increases in the press run being made to provide for these additional sales.

A stocktaking of these feature issues shows that we have a few copies on hand. If any of these are of value please order at once sending cash or stamps in payment, price 10c. per copy.

The feature issues published by The Financial Post to date this year, and the copies available for sales, are:

	Number Available
Mining issue, Jan. 23	None
Rouyn Mining issue, Feb. 27	30
Road Transportation issue March 20	None
Real Estate Bonds issue, April 3	None
Insurance Feature issue, April 10	None
Maritimes Feature issue, April 17	None
Trust and Loan Company Review issue, May 15	20
Power and Public Utilities Review issue June 5	75
Government and Municipal Review issue, June 26	75
National Mining Number issue, July 24	25
British Columbia Feature issue, Aug. 14	25
Pulp and Paper Feature issue, Sept. 4	350
Kirkland Lake Mining Supplement issue, Sept 25	75
Fire Protection Feature issue, Oct. 2	1,000
The Financial Post Survey issued Dec. 1924 (a bound volume of interpreted statistics offered now for $1.00 a copy)	500

Each of these issues gives the most authoritative information on the particular theme—information written by men who have studied their subjects from the field. The Financial Post has had Editorial Staff members from Coast to Coast in Canada and in Europe many times during 1925. These men collect information for Canadian Business Men who need definite, complete and focused information.

If any or all of the above feature issues will be of value to you please order at once.

THE FINANCIAL POST

Publication Office

143-153 University Avenue, Toronto 2

Municipal and Provincial Finance

MUNICIPALITIES OF B.C. IN FAVOR OF MANAGER IDEA

Sale of Securities and Other Matters Considered at Victoria

VICTORIA.—Legislation to enable municipalities to adopt the city manager form of government, if approved by ratepayers' plebiscite, will be sought from the provincial government by the Union of Municipalities, according to a decision reached at the concluding session of the annual convention.

Ear-marking of all revenue from the gasoline tax for road purposes will be urged upon the government instead of the distribution of part of the revenue amongst all muncipalities of the province, in the same manner in which liquor profits are shared, the union agreed.

It was pointed out that the tax had been levied by the government at the suggestion of the union, and that the government had then kept all the revenue produced for itself.

Revelstoke delegates offered a proposal that all municipal police forces of the province should be consolidated under the control of a commission elected by the municipalities and having power to move members of the force from one city to another as deemed expedient. This suggestion will be given further consideration.

At the suggestion of Victoria, the union will seek amendments to the Municipal Act making it impossible for one person to run for two offices in the municipal council at the same election—and preventing a two-year term alderman running for mayor after the expiration of the first half of his term as alderman.

Exemption for municipalities from the federal requirement to place revenue stamps on cheques and receipts will be sought by the union.

Power for municipalities to impose heavy license fees or to demand bonds from transient company promoters and stock pedlars will be sought from the Legislature, the Union of B.C. Municipalities agreed recently.

The union will also ask the Legislature to grant municipalities the following powers:

1. To require that a dwelling-house must be erected or placed at a minimum distance from the adjoining parcels of property.
2. To require building permits and to charge reasonable fees for the inspection of buildings.
3. To restrict the use of land in a residential area so that, although not built upon, it can not be used for any inconsistent purpose (such as for the construction of a lumber yard).
4. To require a certificate of occupancy before a building is used or occupied.
5. To prevent the alteration or use of a building in a residential area to a use for which a new building is prohibited.
6. To delegate to its building inspector the council's powers regarding plans and inspection of buildings.
7. To offer rewards for the apprehension of criminals.

A WHEAT HANDLING RECORD

REGINA.—What is believed to be a world's grain handling record was established Saturday by the Saskatchewan Cooperative Elevator Company, when 1,600,000 bushels of grain passed through country elevators operated by the company.

Tenders and By-laws

TENDERS CALLED

Oct. 6, Town of La Tuque, P.Q.—$244,000 debentures. Ten years at 5½ or 5 per cent., or thirty years at 5½ or 5 per cent. P. E. Riberdy, sec'y-treas.

Oct. 5, Town of l'Assomption, P.Q.—$40,000, 5 per cent., 30-year term bonds. P. A. Seguin, sec.-treas.

Oct. 12, Village of Shelburne—$50,000, 5 per cent., 30-year public and high school debentures. T. Whalley, clerk.

Oct. 14, Sturgeon Falls.—$48,410, 6 per cent., 10 and 20 instal. debentures. L. R. Vannier, town clerk. (See announcement on page 16.)

October 12, Village of Mont Joli, P.Q. — $15,000, 5 per cent. serial bonds. J. Dube, sec.-treas.

Oct. 12, Parish of St. Etienne de la Malbaie, P.Q.—$50,000, serial 5 per cent. bonds. L. P. Dufour, sec.-treas.

This Week's Bond Sales

VANCOUVER BONDS

An issue of $1,685,000 City of Vancouver, 5 per cent. bonds, has been awarded to a syndicate comprised of McLeod, Young, Weir & Co.; Bell, Gouinlock & Co.; Fry, Mills, Spence & Co., and Gillespie, Hart & Todd, Vancouver, on a bid of 99.43. The bonds mature, $1,450,000 at the end of 40 years, $200,000, 15 years, and $35,000, 20 years. Alternate tenders for Canadian or American payment bonds were called for, and it is interesting to note the very keen bidding as follows:

	Can.	Amer.
Fry, Mills, Spence & Co., McLeod, Young, Weir & Co., Bell, Gouinlock & Co., Gillespie, Hart & Todd	99.43	99.43
The Royal Financial Corp.	99.343	
A. E. Ames & Co.	99 277	99.377
Wood, Gundy & Co.	98.93	
Gairdner & Co., C. H. Burgess & Co., Cochran, Hay & Co., Dyment, Anderson & Co., Aird, McLeod & Co., The British Columbia Bond Corp., V. W. Odlum & Co.	98.81	
The Dominion Securities Corp., The Canadian Bank of Commerce	98.673	

This is one of the largest pieces of municipal financing accomplished in the Canadian market so far this year.

Prosperity Indicated In the Basic Industries

"A significant sign of the times is the fact that the Canadian Pacific Railway—a barometer of Canadian prosperity—has published a statement showing larger net earnings last month than in any August since 1916," says Wood, Gundy & Company in a current market letter.

"Agriculture, still the predominant factor in our national wealth, has shown a gratifying improvement, with an estimated production nearly $400,000,000 larger than last year. Newsprint production, probably the next in importance, is progressing favorably on a sound basis, and in three individual months Canadian output exceeded that of the United States. Water-power development, in which more than $765,000,000 has been invested, is continuing to progress, with its usual accompaniment of industrial expansion. The development of the Aluminum Company of America in the Saguenay district in Quebec is an illustration."

HOW VANCOUVER WILL GUARD WATER SUPPLY

Special Powers Being Asked By the City Council in Interests of Health

VANCOUVER.—Wide discretionary powers for protection of the watershed from which is taken the water supply for Vancouver and adjoining municipalities, will be sought by the city council as a result of a recommendation from the health committee, approving a report on this important matter submitted by Dr. F. T. Underhill, M. H. O.

"To the chairman and members of the health department:

"Re Sanitary Precautions on Watersheds.

"I believe the time has come when the city should press for more stringent regulations to preserve the purity of our water supply and to safeguard it from contamination. Heretofore any person able to produce a certificate of a Widal test, showing freedom from typhoid, has been allowed to roam without restriction on the watersheds and to camp and fish on the banks of the streams from which our water supply is derived.

"This latter condition is especially to be deprecated as the camps are usually established for convenience as close to the water as possible, and the refuse is liable to be thrown into the stream or washed into it by the first freshet.

"I am of the opinion, therefore, that the practice of camping and fishing on the streams above the intakes should be absolutely prohibited by a provincial regulation, and steps taken to enforce the same.

"With regard to the mountaineers, I would suggest that they should not be allowed to enter the watershed by way of the intakes and should be prohibited from camping within a prescribed distance from any of the streams from which our water supply is drawn, or tributary thereto.

"To properly enforce these regulations and to see that all persons on the watershed have a negative Widal certificate, it would be necessary for the city to appoint an inspector, who would require to have the powers of a special provincial constable, to patrol the watersheds, and I would earnestly recommend this matter to the City Council for consideration."

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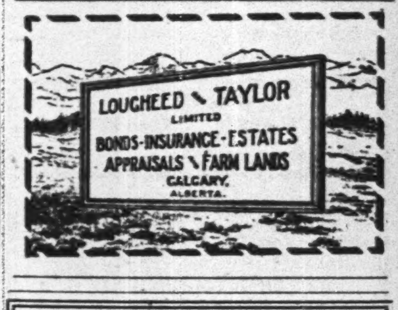

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WEEKLY RECORD OF CANADIAN FINANCING

Bond Sales—Place	Date	MUNICIPAL —Sold To—	Rate	Maturity	Amount	Price	Yield
Vancouver	Sept.	McLeod, Young, Weir & Syndicate Corporation	5%—15, 20, 40 yr.		$1,685,000	99.43	...
Southern Canada Power	Sept.	Nesbitt, Thomson & Co., and Dominion Securities Corp.	5%	1955	$6,000,000	97	5.20
Stock Issues—							
Appo Krisp, Ltd.	Sept.	F. M. Ruggles, Bridgetown, N.S.	8% pref.		$200,000	110.00	...
Peat Fuels, Ltd.	Sept.	Capital Investment Reg.	7% pref.		75,000	...	...

Insurance for Buyer and Seller

INSURANCE PLAN REQUIRES CHANGE IF A MAN WEDS

Policies He Took as a Bachelor May Not Suit Him Married

When an unmarried young man buys insurance, nine times out of ten the policy he takes is an endowment policy or at least a twenty-payment life policy. If he is approached by a company that has a combination of the two he may take the hybrid policy. The whole life policy has not the same appeal for him. It provides for protection against death and that only and has no particular investment feature to him. He is attracted by the investment feature of the endowment policy, which gives him some assurance of comfort in his old age, as well as protection for those now dependent upon him or who may become dependent upon him when he gets married.

When the same young man gets married his ideas about insurance change. He aims to buy the largest amount of insurance for the least possible expenditure and naturally the whole life plan attracts his interest. He finds that he can buy insurance under the whole life plan at perhaps the yearly outlay, per $1,000 of protection, that he would have to pay for endowment insurance. He buys the whole life policy.

Policies May Be Converted

One thing that is not generally known is that it is possible for twenty-pay-life policies and endowment policies to be converted into whole life policies. How this might be done in any difficult case is indicated by a typical example that was put through the other day by one of the companies with head office in Toronto.

It concerns the policies on the life of a young man who bought insurance five or six years ago, when he was unmarried and had no particular responsibilities. He thought that it would be a good thing to start putting on a few insurance policies while the premiums were lower than he would ever again be able to arrange and while he could probably afford the outlay better than when he assumed greater responsiblilities in life.

At the age of 21 he put on a $2,000 twenty payment life policy, the annual premium amounting to $57. The next year he put on $2,000 of a special semi-endowment policy offered by the same company, on which the premium amounted to $74.90 a year. This made a total outlay for the $4,000 of insurance under these two plans of $131.90 a year.

Now He is Married

In the meantime, he has been married and as he has not had time to build up the estate that would provide his dependents with assurance of prosperity throughout life he has been interested in ways and means of increasing his protection at the moment.

Hence, when the agent for the insurance company came around and showed him how he could buy $3,000 a year more protection at 75 per cent. over the amount represented by these two policies and by an additional outlay of only $13.25 a year he seized the opportunity.

This is how the extra $3,000 was arranged at such small cost:

The twenty payment life policy, on which the premium was $57, was changed into a whole life policy and the premium rate was established by the company at the age at which the original policy was taken,—21 years. This was $38.70 per annum. The similar endowment policy was also changed to whole life and the premium was established at the age at which the policy was originally taken out, $39.60 a year. Then an additional $3,000 was added at the present age on which the premium amounted to $67.05 a year or $135.35 in all as against $131.90. Thus, for a very small extra payment, he is securing $7,000 of insurance for the protection of his small family as against $4,000.

He Got Excess Premiums Back

In making the conversion, the excess premiums that have been paid in the interval were, naturally, returned to him. He could have used these to buy new insurance and to pay three or four years' premiums in advance or have taken it in cash. As a matter of fact, in this instance, the money was applied against policy loans which he had arranged when he purchased the house recently. On the two policies, he had a conversion refund, together with cash from dividends, of about $300.

There may be many who will criticize the move. Certainly, though, the young man is satisfied because he has accomplished his purpose of piling on the protection for the present when he needs it most.

There was no magic whatever in such a change. He gave up the twenty payment feature of one policy and the endowment feature of the other but he was quite ready to do this for the additional security he could purchase for the present.

Ontario Out to Raise Standards for Agents

Ontario's superintendent of insurance intends to enforce the laws passed to raise the standards of life insurance agents in the province. He has issued instructions that application for a license shall not entitle anyone to write insurance and has also pointed out that a license can not be renewed for an agent who has not written at least six policies in the past year.

Ontario Equitable Men Meet at Jasper Park

The first annual convention of the production club of the Ontario Equitable Life Insurance Company of Waterloo, was held at Jasper Park Lodge.

The party consisting of thirty-seven agents, some with their wives and families, was greeted upon its arrival by Colonel Rogers, the superintendent of the park, who gave a very interesting account of its history and development.

The mornings were devoted to business, and the meetings under the chairmanship of the president, S. C. Tweed, brought out a great deal of keen discussion upon various phases of the company's activities. Sir George Foster, who was a visitor at the lodge, gave a very interesting address, in which he pointed out that the existence of the life insurance underwriter is justified by the service which he renders to the community. Addresses were also given by W. E. Payne, K. C., of Red Deer, and Senator W. H. Laird of Regina. The latter took as the basis for his remarks: "Why I will not buy Life Insurance." The senator put up a strong argument, but the odds were all against him and it is reported that he changed several of his convictions before the meeting was over.

The afternoons were spent in sightseeing.

E. H. Hanley Finds Weekly Quota Puts Him at Top in Insurance

"Know Your Business, Know Human Nature and Work Systematically," Are Three Rules He Gives for Success in Life Insurance Business

By FLOYD S. CHALMERS.

OUT in Southern British Columbia, where gold and silver and luscious fruit combine to make the people wealthy, there is an insurance man who has been exceedingly successful in his chosen profession. He has three rules of success to pass along. Here they are:

1. Know your business.
2. Know human nature.
3. Work sytematically.

The man is E. H. Hanley, who in five years has turned from ex-grocery salesman and returned soldier into successful life insurance underwriter and district manager for the North American Life Assurance Co.

E. H. HANLEY

Sets Himself Quotas

The first of those three rules is fundamental to success in any business. The second is essential to success in salesmanship. But when we come to a consideration of the third rule we strike something different. Working systematically is something that few achieve.

The chief point in Mr. Hanley's systematic working is the establishment of a weekly quota. Let us quote his own words as he gave them to me:

"The secret of whatever success I have had since joining the business is, I believe, the habit of setting myself a weekly quota. The man, who lives up to this, will surely find himself not only well-reimbursed for his trouble but will have his road made easier by those who like to see him succeed."

Mr. Hanley promises himself certain results and then goes out and gets the results. He promises himself a certain weekly volume of business and gets it. His quota system works in other ways. He promised himself that he would be president of the western division of the Nalaco club, the honor group of big producers of the North American Life, and the next year he was president. He promised himself that he would repeat. He did and, again this year, earned the presidency by his large total of production. Now, he has promised himself a third term, which would be something of an achievement for a man under thirty, with only six years' experience in the life insurance business. It would not surprise his friends if he succeeded.

How He Got Into Insurance

Mr. Hanley was a grocery salesman before he went overseas. When he got back, filled with the ambition and the sense of importance that a commission in the army had given him, he determined that his former calling did not give him the opportunities to which he was entitled. He looked around for a bigger opening and made up his mind to go to New York. Just as his decision was made an old friend, who had sold him the first policy he ever purchased, asked him to take up life insurance as his profession. Hanley agreed and thus a capable young Canadian was saved for his own country.

In 1919, he had a very good first year, selling $137,000 of insurance. He has greatly exceeded this total in subsequent years but, nevertheless, he considers 1919 his best year, because he was able, in his first twelve months, to sell enough business to make him see the real possibilities in insurance, where he hopes to be for the rest of his working days.

Get There By Trying

He was a member of the Nalaco club every year and, while attending the convention, in Victoria, in 1923, he asked himself the question, "Why have I been a member of this club every year?" The only answer he could find was that he had tried.

"If I can do that by trying I can be the Western president by trying," he said to himself, and, by trying, he achieved that honor.

In 1923, he was appointed district manager of the Nelson agency. There, as least fifty per cent. of his time is taken up by office work. Yet his personal production has not suffered.

Some of the reasons why it has not suffered are summed up in his story as he told it to me. He says:

"Make as many friends as possible, but let no day pass without making at least one new acquaintance. This, to my way of thinking, is the first stepping-stone in getting your name where interested and uninterested alike will see it, namely at the head of the list.

"You cannot do business unless there is demand. Demand cannot be, where there is no desire. Desire only comes when confidence has been created. Therefore, it is only logical that we must have acquaintances, or in insurance parlance 'prospects' before we can create either demand, desire or confidence for our wares.

Never Knocks Other Companies

"Knocking the other fellow may get you the dross but if you knock you lose the gold as sure as the sun rises in the east and sets in the west. Just here, allow me to give an illustration.

"I called one day on a prospect who, to our local agent, was as immovable and unheeding as the Rock of Gibraltar. However, I got from him that he was carrying some insurance in the Blank Life.

"'A very good company,' was my reply. and for the first time the rock softened and the dumb spoke. I knew that something had caught his interest, and I repeated what I had already said, 'A very good company, and mighty nice people to do business with.'

"'Do you know the company?' was his question.

"'Yes, sir, I make it my business to know my own company first, and then as much as possible about others.'

"After about half an hour's discussion of this particular company, he confided in me that one of the best friends he ever had sold him the policy. Up to that time he had been interviewed by at least five agents, introducing their different propositions. Each, to say the least, had made unfavorable comments on his investment, and he was so glad to hear and see by the blue book that his company was in such good financial standing he asked what would the same amount on a like policy run him in our company. I left his place with an application, a check to cover same. I feel I have in him a very strong booster.

"Insurance can be summed up in these three. Know your business, know human nature and work systematically. The first needs coaching, the second is acquired and the third, probably the greatest of all, only comes through your own personal effort."

Insurance Personals

R. M. EASTON, of Ottawa, has been appointed chief agent in Canada for the Monarch Accident Company, which has been granted a Dominion license to write accident and sickness insurance.

Arthur Splatt, who for the past four years has been residing in Toronto as field secretary for the Monarch Life Assurance Company, has been appointed city manager in Winnipeg, and has already assumed his new duties. Mr. Splatt is well known in the life insurance field having been with the Monarch Life Assurance Company for the past fourteen years. Previous to going to Ontario he was actively associated with the company's head office at Winnipeg.

Although new to the life insurance business G. F. Herbert, of Calgary, did splendid work during August resulting in his writing $250,000 of business and winning first place on the August honor roll of the Canada Life. According to his branch manager, Mr. Herbert has every chance of becoming one of the biggest producers in Western Canada this year, as he has a promising amount of good business already lined up which should be closed in the near future. He was formerly purchasing agent for the South Alberta Land and Irrigation Company.

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CANADIAN NATIONAL RAILWAYS

What the Royal Bank of Canada Says of Credit Insurance—
In discussing insurance in one of its monthly bulletins, the Royal Bank says:
"Another type of insurance which seems destined to play a very important role towards the stabilization of business is credit insurance, which, incidentally, is somewhat new in Canada. By means of credit insurance, a business man has a guarantee that his losses, arising out of the insolvencies of his debtors during any given year, cannot exceed the normal expectancy of such losses for his particular line of business. . . . . . .
The ability to insure against credit loss cannot but have a strong influence towards making business more even and stable."
Manufacturers and Wholesalers, write for full particulars of American Credit Insurance and a list of our Canadian policyholders.
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Perhaps this is natural; for there is in the organization and the service and the contracts of The Travelers something that appeals to the keen business mind of to-day,—whether in the States which represent its native heath, or in the Dominion which is the other home of
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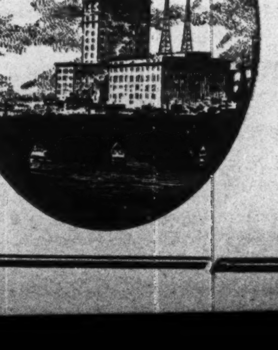
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National Cement Strengthened; Will Enter Production Soon

Addition of Four New Directors, Coupled With $1,000,000 of New Financing, Casts an Improved Light on Future of Company

From Our Own Correspondent.

MONTREAL. — The announcement that the National Cement Company has enlarged its board of directors and sold $1,000,000 of preferred stock is regarded as putting this enterprise in a more favorable light than when it was first promoted.

At the beginning of this month, the company added to its board these four outstanding men in French-Canadian financial circles: Senator J. M. Wilson, one of the vice-presidents of La Banque Canadienne Nationale; Donat Raymond, president of the Windsor Hotel, who recently cleaned up the "beer war" situation which existed here by buying out the Beaubien interests which had control of Frontenac Breweries; Henry Timmins, vice-president of the Hollinger Consolidated Gold Mines, and Hon. George Simard, president of the Quebec Liquor Commission.

Working Capital Provided

These new directors, together with Joseph Versailles and his interests, subscribed for $1,000,000 of seven per cent. preferred stock in the company, which removes the doubt as to its ability to provide itself with sufficient finances with which to complete the plant at Montreal East. This sum is declared to be sufficient to put the final touches to the mill, and at the same time provide the company with over $500,000 working capital at the end of November, by which time, the directors state, the mill will be producing and selling cement.

Arrangements have been concluded whereby the mill will likely commence operations by the end of November. Well over 300 men are at present employed in speeding the work to its conclusion. The mill itself is practically finished, but some of the machinery has yet to be placed in position, whilst the bagging house and one or two of the smaller auxiliaries are not yet finished.

Mill Capacity 900,000 Barrels

The mill has a capacity of at least 900,000 barrels per annum, and with the connection which the company has made by the addition of these new directors, it is thought that there will be little difficulty in disposing of the entire output. The company already has orders for 200,000 barrels, but naturally these cannot be accepted until the plant enters on production. One who is close to the company assured The Financial Post that production would total at least 800,000 barrels in 1926.

Investors may be interested at working out a forecast as to future earnings. Of course, nothing definite can be worked out along these lines, but cement is at present selling around $1.75 a barrel. The consulting engineers employed by National Cement definitely quote production costs of 90c. a barrel. With a production of, say, 800,000 barrels a year, the gross profits would amount to, say, $680,000, but cut this figure in half and there would remain $340,000 to meet fixed charges, sinking fund requirements, reserve, administration and organization expenses and selling costs. The figure of $340,000 can now be compared to the annual fixed charges on the bond issue of $105,000.

The Capitalization Structure

The capital structure of the company was recently changed to allow the acquisition of the new capital and stands as follows:

Seven per cent. bonds, $1,500,000.

Seven per cent. preferred stock, $2,500,000.

Common stock (no par value) 50,000 shares.

Of the foregoing capitalization, 5,000 preferred shares of $100 par value are in the company's treasury, whilst the remainder of the capital is outstanding.

The company will have three kilns in operation before the beginning of next year, and expects to sell its entire output. Whilst the recent deal in the stock brings in new interests, the former controlling group still retains its interest in the company. Joseph Versailles continues as president with Donat Raymond as vice-president. The other members of the board include E. C. Vidricaire and Richard K. Meade.

Bonds Sell Higher

The effect of the improved prospect for the future is seen in the increase in the price at which the bonds of National Cement are changing hands. They moved up from around 85 to 98 immediately the news became known. Rumor generally says, although this cannot be confirmed, that the present group were also connected with Mr. Raymond's Frontenac Brewery transaction as well as the present negotiations which appear to assure the future of National Cement, for with the strengthened board it is anticipated that the company will be in a much improved position to meet competition.

The National Cement Company has good railway facilities at its plant, and power will be supplied at reasonable rates as soon as the company enters production.

Future Prospects of Company

The figures given above on earnings are, of course, but estimates, and must be taken as such. If the board of directors can substantiate them, the company should be able to make a fair showing in the first year of operations—provided, of course, that there is no material cut in the price of cement. In some quarters, it is felt that prices may be lowered within the next few months.

There are those who say that cement will sell at $1.20 a barrel here; on the other hand, some take the attitude that with the strong financial backing which the company now has, that there is less danger of a price war.

Price Brothers

(Continued from page 7)

day, 50 tons of cardboard and paper specialties from the Jonquiere mill and, from the mill at Kenogami, 500 tons of newsprint. When the company's expansion programme is completed, it will be producing 900 tons of newsprint per day.

The company is busily engaged at present in bringing into production its new mill at Riverbend. This will have a capacity of 200 tons daily by the end of the year. It is expected that one of the machines will commence running by the middle of October.

The next step in the expansion programme will be the construction of another mill with an initial capacity of 200 tons and an ultimate capacity of 400 tons. This will probably be situated near Chicoutimi and present plans are to have it in operation by 1927.

Undoubtedly, the industry as a whole has over-expanded, which has brought on the present over-production, but this condition is only temporary, for the United States producers cannot compete with the low costs mills in Canada. In the past, those companies which have made the greatest strides have increased their capacity before the call came forward for more newsprint—otherwise, they would have lost out in the paper field through the entrance of competitors. This is the situation which confronts Price Brothers today. The management believes that in order to take advantage to the full of the increasing market for its products, it must prepare in advance for the demand and must, as a consequence, take its chance with the others.

Price Brothers are probably better equiped than any other company in Canada to meet competition. It has more than adequate timber limits, moreover its wood costs are low, due to the proximity of the forests to the mills. In addition, the company has low production costs, due in part to efficiency of operation and due to its low-cost power, which it obtains from the Duke-Price Power on terms as favorable as any other company in the world.

Although the stock at present prices may be high when general conditions in the industry are taken into consideration, nevertheless, holders of the stock are, or should be, looking to a time five years hence when Price Brothers may have the second largest production of any individual company in the world, and, at the same time, still continue to have its low wood costs and wood-driving costs.

Taken by and large, then, it may be said that, if any investor is holding this stock hoping for a quick turn, he had better sell now. But those investors who hold the stock for the long pull would do well to place it in their safety deposit boxes and bring it forth in 1930, by which time, they should do well on their investment, provided, of course, no new factors enter into the production of newsprint which would entirely offset the many natural and economic advantages under which the industry operates in this country.

Dominion Life Managers in Conference in Toronto

On Saturday, October 3, fifteen Ontario managers of the Dominion Life Assurance Company of Waterloo are holding a conference at the King Edward Hotel, Toronto, for the purpose of discussing plans and production for the balance of this year.

Ford S. Kumpf, the company's managing director, and other head office officials were in Toronto for the meeting, the first of its kind ever held by the Dominion Life.

Attaining Ontario's objective was the main subject dealt with at the meeting, and ways and means were discussed by the managers. One of the direct results was a challenge based on written business during the year sent by the Ontario managers to the Dominion Life's western branches.

POST-Scripts

IN CITIES that are on the borderline between two standard time areas and that further complicate matters by adopting daylight saving, the itinerant visitor is apt to become somewhat confused.

In St. John, N.B., a few weeks ago a traveler from Toronto went to the ticket office and asked when the train left for Montreal. This is the answer he got: "Three o'clock Eastern time; four o'clock Atlantic time; five o'clock city time."

The editor of Post-scripts does not vouch for the horological accuracy of the answer.

* * *

THE fable of the hare and the tortoise is aptly illustrated by the experience of a man who may be called Wall Street's most conservative speculator.

He ran two speculative accounts for a period of three years. One of them was for himself and with it he took the usual chances, buying and selling 100-share lots, and averaged about $10,000 a year for the three years.

The other account he ran for his wife. For this account he bought only 10 or 20-share lots widely scattered among good securities and made the infallible rule of always taking two or three points clear profit and never taking a loss. This account now has a total profit of $50.000.

* * *

A LEADER in mining development and one of the best-known men in all Southern British Columbia is Fred A. Starkey, commissioner of the Associated Boards of Trade of Southern B. C. His fame in B. C. was of no avail to him, however, when he re-visited his old homestead in England the other day. He had been forty years gone and his own brother did not recognize him.

A special to the Vancouver Province tells the story:

"Can I speak to John Starkey?" asked the caller at the old Suffolk House, Barrow-on-Humber.

"Certainly, sir," replied a lady, and a moment later, when the master of the house appeared, the visitor, holding out his hand, exclaimed, "Hello, Jack!"

Eyeing the caller with distrust, the householder kept his hands to himself, remarking, "I don't know you!"

"No, probably not, but I'm Fred," came the answer.

"What, our Fred! Oh, no, you're not; he's dead," said the farmer.

Not to be discouraged, Fred strode into the house, deposited his bag in a chair, and declared, "I want a bed for the night."

"That's rather like Fred," said the householder. "What was your father's name?"

"It's all right, Jack, old man. I'll tell you the names of the entire family if you like," came the reply, and when, sure enough, he had reeled off all the names, he was received with open arms.

The members of the family have long been farmers in a substantial way at Barrow-on-Humber, Lincolnshire.

He was only sixteen, when, in 1882, he went to Winnipeg, then a small settlement.

Mr. Starkey, for the second successive year represents B. C.'s department of mines at Wembley.

* * *

AT THE Canadian Tax Conference at London this week Hume Cronyn, vice-president and general manager of the Huron and Erie Mortgage Corporation, told the following little story as illustrative of the attitude of ordinarily honest citizens towards public funds:

"I fear most of us, when it comes to expenditure of public monies, follow the example of that Scot of ancient days, whose wordly wealth was thus explained by his granddaughter (a plain spoken old body)—'Ye maun understan,' said she, 'that my grandfaither was in the employ of the King of the Indies'—whatever it meant. 'He wasno' in receipt of anny reglar eemolument, but whiles the King throwing open his great treasure chest brimming with gold and gems, wad say,—Andra Rattray, we ken weel yer an honest mon so juist help yersel'. And that,' the old dame used to conclude, 'was how my grandfaither cam by his enorrmous fortune'."

C.P.R. Revenues Take Decided Upward Trend

From Our Own Correspondent.

MONTREAL.—The net monthly profits of the Canadian Pacific Railway were higher during August than they have been since 1916. The net profits for the month were $4,181,781 as compared with $3,168,590 last year. The gross earnings for the month increased $1,097,027, whilst working expenses only moved upwards to the extent of $83,836.

The improved showing during the month coupled with the earnings in July have reduced the drop in the net profit for the first 8 months of the fiscal year to $529,934 and from all present indications it appears certain, that before the year is out, earnings will be more than sufficient to offset the reduced revenues which were experienced during the first few months of the year.

The gross earnings of the company for the year up to August have decreased $8,099,699 as compared with the first 8 months of 1924, but the working expenses have been reduced for this period by $7,569,764.

August—	1925	1924	Increase
Gross	$15,421,148	$14,324,121	$1,097,027
Work exp.	11,239,367	11,155,530	83,836
Net	4,181,781	3,168,590	1,013,190
Eight months—	**1925**	**1924**	**Decrease**
Gross	$105,765,016	$113,864,715	$8,099,699
W'k. ex.	90,396,713	97,966,478	7,569,764
Net	15,368,302	15,898,236	530,934

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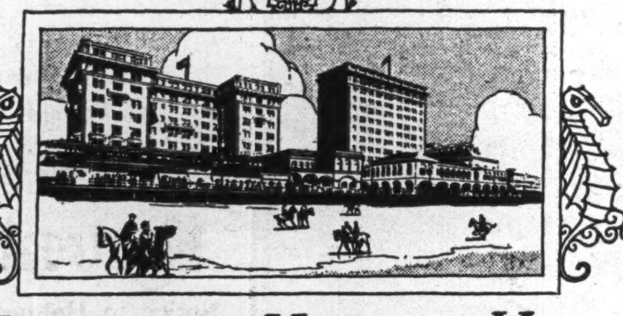
J. E. PARKER,
General Agent, Ocean Traffic,
Canadian Pacific Bldg.,
Toronto, Ont.

CANADIAN PACIFIC



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TO SALES MANAGERS—

Having been a Sales Manager for many years, I feel warranted in assuming considerable knowledge of your problems related to both the internal organization and the field organization; your line of resistance; your many annoyances and irritating situations, and also the great value of full co-operation from all departments and executives, and the difficulties when it does not exist.

My work is in co-operation with Sales Managers, and once you realize its full value you will welcome my analysis.

Answers to the following questions may indicate whether my analysis and counsel would not be profitable,—

Has the factory any unabsorbed burden owing to plant not running to capacity?

Has the cost of sales, in percentage, increased?

Has advertising programme brought expected result or adequate returns from the appropriation?

Is the sales organization in a contented frame of mind, producing from each territory the proper ratio of business related to the population?

Could the quality of material in the sales organization be improved; and could the present material be moulded into a stronger and more aggressive sales force?

Is every possible method functioning that would cement closer the relationship between the dealer, the consumer and your Company?

Are the territories being covered sufficiently close, leaving no room for profitable expansion?

Is the training of the sales force of the character that fits them to meet any line of resistance?

I will deliver to the chief executives a true picture of the business, from an independent and impartial viewpoint.

Have travelled in many foreign countries, studying distribution plans.

INVESTING MONEY IN BUSINESS—

The sound business man does not put money into a business without a thorough investigation as to its future possibilities. Before investing money in a business, it will prove profitable to secure my analysis as to its possible future earnings, from a sales standpoint; also advertising requirements; as well as the manufacturing problems, should there be any.

Excellent credentials available.

F. E. MUTTON
Business Economist
705 Federal Bldg., Toronto, Adelaide 8031

AMPLE RESOURCES

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THE ROYAL TRUST COMPANY

A Safe Executor FOR YOUR WILL

Hydro Measures Example of Noxious Legislation

Hume Cronyn Says Fair Play Denied Private Corporations in Ontario — Attacks on Financial Institutions Are Attacks on Individuals Who Provide Funds

Referring to the various enabling measures in connection with the Ontario Hydro as one example, Major Hume Cronyn, K.C., vice-president and general manager of the Huron & Erie Mortgage Corporation, in addressing the Canadian Tax Conference at London this week on "Noxious Legislation," criticized the methods by which the commission had secured a monopoly in its field. The speaker did not in any sense attempt to discount the benefits which have been derived from Hydro or belittle the wide activities of Sir Adam Beck, but he did submit that fair treatment of private interests would have been more in keeping with British justice and fair play.

Major Cronyn's address was a plea for fair dealing by our legislative bodies with the savings of individuals intrusted to the financial institutions, such as banks, insurance, mortgage and trust companies. He criticized various measures by which the rights of investors have been seriously undermined. In this connection he referred to the Hydro legislation as follows:

If those of you who are old enough will cast your minds back a quarter of a century you will recall that the science of electrical lighting was in its infancy; not the half was known in this regard of the almost miraculous value pertaining to falling water, nor had the problem been solved of conveying electrical currents over long distances without a ruinous loss of the magic "juice."

Yet many of the cities and towns in Ontario were being served—granted, in an inadequate fashion and at high rates—by private local companies generating electricity by means of steam plants. These plants—inefficient though they were, judged by modern standards—cost large sums to build and maintain.

Concurrent with this development certain municipalities desirous of erecting electric plants out of public funds, sought from the Ontario Legislature the powers necessary to raise the monies required for the purpose, and to levy taxes for their repayment.

In response to that request the legislature, in 1899 amended the Municipal Act so as to extend to municipalities the power to enter into the business of supplying either gas or electricity, or both, to their citizens in addition to the right acquired many years previously of providing them with water. But the legislature attached the same proviso to these extended powers, which had for a generation governed the establishment of public systems of water works. That proviso was to the effect that where a private company was in existence for any of the above purposes a municipality could not enter the field in competition with the former until some arrangement had been made to buy it out, either at a price mutually agreed on or, failing that, by means of arbitration. The Act further provided that the arbitrators should ascertain the actual cost of the property, without regard to the profit derivable therefrom, and after deducting any deterioration due to age or other causes, increase the figure thus obtained by 10 per cent.

In other words, the legislature said to the municipalities: "We are willing to give you the powers you ask but you must not use these, and the funds you will raise, to put out of business without compensation those who have been enterprising enough to act as pioneers in serving the public."

The law stood as above quoted until 1906, when the Hydro Electric Commission of Ontario was founded. By its Act of Incorporation municipalities entering into contracts with the commission for the distribution of electricity, were given similar powers of raising money, levying taxes, etc., as existed under the Act of 1899, but were specially exempted from the obligation to compensate private companies operating in their territories.

The actual words of the Statute, omitting some unessential phrases, are as follows: "It shall not be necessary for the council, before passing a by-law or issuing debentures, to fix any price to be offered to any electric company or gas company in such municipality, or to take any further or other proceedings, having for their object the fixing of a price for the works or plant of any such company, or any part thereof, or for the expropriation thereof, unless the commission shall otherwise order or direct."

The effect of this alteration of the law on the faith of which private plants had been established and were operating, was to leave them to the tender mercies of the commission. I know it is said the commission was prepared to buy out such companies, on what it considered fair terms, but the retort is made that the price offered was in most cases fixed at what is known as "scrap value," and in the final result not a few of them were brought down to ruin.

Unusual Powers

The above, however, is not the whole or the worst phase of the legislation connected with the Hydro. The owners of certain of the private plants in question, feeling that they were being crushed by the public, and believing the legislature had exceeded its jurisdiction, took action in the courts to test the constitutionality of the new law. To meet these attacks the Ontario House, bending to the will of the Commission, passed a further law that no action could be brought against the Commission or any member thereof without first obtaining the leave of the Attorney General for Ontario. As, for a time at least, the Attorney General was as well a member of the Commission, it will be realized how serious was this restriction, but two years later the doorway to the courts was still more effectively barred because in 1909 the legislature decreed that "every action heretofore brought . . . . calling in question the jurisdiction, power or authority of the Commission . . . . shall be and the same is hereby forever stayed." Again in 1914, the Commission was still further protected from attack, the exact words of the Statute being as follows: "No court shall have authority to grant or shall grant an injunction restraining, either temporarily or otherwise, the construction, maintenance or operation of any works, the location and mode of construction of which have been approved by the Commission."

Private Interests at Fault

Now, I concede the work of the Hydro Commission was of the highest public importance, and that to have it impeded—to use the phaseology of the above Statutes—"by unnecessary and vexatious litigation"—initiated perhaps by men of straw, of no financial worth, under the advice of speculative lawyers (and let me say in parenthesis that when you are attacked you are apt to dub the plaintiff's attorney a "shyster") would have been a misfortune. I agree, too, that the largest financial group opposed to Hydro and perhaps generally to public ownership, were notorious for their unsound methods of finance and made a practice of fixing their charges at what the traffic would bear.

But, even admitting these and other arguments in favor of Hydro and against its opponents, I challenge anyone to find, in the history of the British Commonwealth, a greater abuse of sovereign power of a parliament than that just quoted. Think of it, gentlemen, one of the most dearly prized privileges of every citizen of our Empire—the right to appeal to the courts of the land—a right won after generations of conflict against the tyranny of court and throne, absolutely denied to one class of our fellow-citizens!

My remarks are not intended as an attack, direct or indirect, on Hydro. My quarrel is with the legislation just cited. Let us suppose that the Statutes of 1899 had been allowed to remain in force, and that the Hydro had been compelled to acquire, by purchase or arbitration, those private companies operating in the fields it entered. The result would have been that we (and I say "we" because the Hydro is virtually owned by the people of Ontario)—we would have something more than the one and a half or two hundred millions we have to date invested in this huge undertaking. In addition, those of us who secure from the Hydro our light, heat or power would perchance be called upon to pay a slight—probably a trifling—increased rate for the same. Would not such a course, I ask you, have been more consonant with that British justice and fair play about which at times we hear so much?

Great Majority of Canadians Are Capitalists

By Major Hume Cronyn

It amuses me to hear the capitalist abused in this Canada of ours. A few individuals there may be whose ill-gotten wealth is alike an instrument of oppression and an object of envy, but the great aggregations of capital in Canada are owned by a vast army of men and women who, by their hard work and prudent economy, have been able to lay by something for a rainy day. These savings are entrusted to our financial institutions such as banks, insurance, mortgage and trust companies, or are invested in real estate or other securities.

May I take the actual example of the life insurance company with which I am connected: It is purely a mutual concern, that is to say, it has no capital stock and every dollar in the institution belongs to its policyholders. When I tell you that there are considerably more than 100,000 of such, owning between them some sixty-six millions of assets, invested solely in Canadian government, municipal and other bonds or in mortgages covering real estate in Canada, you will admit, I think, that legislation which weakens or destroys the security of these investments simply sets at naught the self-denying efforts of the thrifty and unselfish.

ARGUMENT THAT MINORITY ORDER WAS ILLOGICAL

Case Against New Westward Rate on Grain is Submitted

SUSPENSION ASKED

From Our Own Correspondent

OTTAWA.—The confusion created by the order of the Railway Board reducing westbound export rates on grain was shown at the hearing of the application this week for the rescinding or suspension of the decision. Interests as widely separated as the Regina board of trade and the government of Nova Scotia were united in their desire to have the order set aside, while support came from the provinces of British Columbia, Alberta and Saskatchewan. The main application for suspension of the order came from the Montreal board of trade which appealed to the board on behalf, not only of that port, but of all the Atlantic ports in the Dominion. Besides the government of New Brunswick, as well as that of Nova Scotia, joined in the effort to have the local reduction in rates westbound held over until the whole question of the rate structure of Canada can be passed upon by the board.

That the procedure of Chairman McKeown and Commissioner Oliver in issuing the order was illogical was contended by Eugene Lafleur, who appeared for the Montreal board of trade, and who pointed out that the action contravened two decisions by the railway board as well as an order-in-council of the Dominion government. The order-in-council was first in order chronologicalyl and was issued last June, ordering an inquiry into the general rate structure, specifically including export rates to the Pacific coast. Following upon that order-in-council the railway commission on July 9 unanimously issued a minute, in which the country was notified that there was to be a general inquiry into the whole rate system, and that all pending cases were to be made part of the general investigation. That, Mr. Lafleur argued, bound the board or any of its members not to give judgment on a part of the case pending decision of the whole. When the proposal to issue the order became known to the other commissioners, a majority of the board passed a formal resolution again declaring that the question of westbound grain rates was part of the general investigation and should not be dealt with apart from that inquiry. On the face of the facts, Mr. Lafleur submitted that the order was void or at least voidable and should be set aside.

Winnipeg's Case

Another phase of the situation was set out by Isaac Pitblado, who appeared for the city of Winnipeg, and for the board of trade of that city. The order of the chairman and Mr. Oliver has been defended on the ground that they were merely giving judgment in a case in which they had heard evidence. Mr. Pitblado pointed out that the practice of the board was that, while different sections of a case might be heard by different members of the board, where a big principle was at stake, all the hearings were consolidated and the whole board sat in at the judgment. This was so in the famous western rates case. It was so in the hearing on British Columbia's application for the removal of the mountain scale, which was begun in 1920 and not finised until 1923.

Again, a third circumstance was pointed out by Mr. Lafleur. This was that the decision, though it purported to be a judgment in the case heard at Vancouver last November, was in fact based on quite other considerations. The heart of the judgment, as he indicated, was based on the act passed by parliament last June, which was relied on by the two commissioners for their finding that there was discrimination. Now, he said, the question whether there was discrimination under the 1925 act was not argued—could not have been argued—at Vancouver last November; and, consequently, the two commissioners had delivered judgment on that point without either taking evidence or hearing argument on it.

Mr. Pitblado appealed to the board not to take any action which would impair its high standing as a fair and deliberative body engaged in the solution of our transportation problems. He made his plea in this regard very plainly, but very politely, and he was listened to with close attention.

The Case for B. C.

"This is not a legal court in which only cold legal necessities can be considered," argued G. G. McGeer in presenting the case for the continuance of the order on behalf of the Province of B. C. "The powers of this board are administrative as well as interpretative of the law, and I urge that, without good cause, it would not be the part of wisdom for this board to restore the discrimination in rates against British Columbia which Chief Commissioner McKeown and Commissioner Oliver removed by their order of Sept. 2."

The National Political Chart

(Corrected to time of publication)

What Canada Needs

The Viewpoint of Business Men and Investors

I. National Railways and Shipping

Stoppage of capital investments.
Reduction of operating expenses
No amalgamation with C. P. R.
Removal of political influence and appointment of able administrative board—an administrative board that will be influenced by sound business and not political needs; or failing this the
Lease or sale to a company, which would undertake a good service without being a further burden on the taxpayers.
A non-political railway commission.

II. National Expenditures and Taxation

Immediate stoppage of all expenditures on railways, (as above) new public works and schemes.
No new government services or works to be undertaken for a term of years or until conditions improve.
Immediate reduction in cost of national administration. All unnecessary and fancy services to be wiped out. The civil service to be put on same basis as a business concern as to hours, pay, etc.—the more valuable employees given better pay and promotion by merit. No new appointments to the public service until the present great excess of unnecessary employees, with which the civil, railway and steamship services are now loaded, is absorbed.
In this way a minimum of $100,000,000. a year in taxes would be lifted from the shoulders of Canadian industry—farms, mines, fisheries, factories. All income and special taxes to be used exclusively for reducing war debt or suspended until conditions improve.

III. Natural Resources

Retention, protection and development of all natural resources—water powers, pulp and pulp wood, nickel, asbestos, etc.,—for use and manufacture in Canada; but giving foreign interests now dependent upon our raw material time to move their plants and workers to Canada.

IV. The Tariff

Such improvements in our present tariff as will encourage the further production in Canada by our own citizens of everything posible for our own needs, but which will at the same time not permit combines, monopolies, high prices or other injustices to consumers or other interests. The public believe that in some cases the tariff is now too high and in others too low.
This policy to be brought about by a commission of able practical men representative of the important interests who would always keep before them the absolute necessity of providing work and reducing Canadian costs of living that we may hold our own people and create a desire in others to migrate here.

V. Emigration and Immigration

The public believe tremendous prosperity is possible in Canada. What we have done under our present handicaps shows the future possibilities under good leadership at Ottawa. The public is beginning to see that we cannot now stop emigration or get immigration in a big way until our more important problems in I to IV above are solved, by which our tremendous burden of taxation would be reduced and our industries resume their growth, thus giving our young men and women as great opportunities for future success here as abroad.
With few exceptions, farmers in Europe were never more prosperous. Owing to competition for settlers, Canada must now offer the highest inducements in the form of low living costs and high financial and other rewards.
Only the industrious should be admitted. Dole seekers and other non-workers, even of British birth should be excluded and if they come they should be deported.

What the Liberals Offer

As expressed by Mr. King

National Railways and Shipping

Has no practical solution for this greatest of all national problems but—
Promises definitely no amalgamation with C. P. R.; insists present expenditures on golf links, hotels, etc., are necessary; that roads and ships are as economically run as possible and would continue the present system; but might consider lease or sale to an independent operating body.
Promises to complete Hudson Bay Railway.

National Expenditures and Taxation

Does not agree and would destroy senate's power to curb government's programme of spending on public railway and other schemes. Hopes for reduction in taxes through solution of transportation, immigration and fiscal problems, but has no definite solution.
His Quebec supporters oppose his Senate reform; promise administrative economy by reducing the civil service and reduction in income and sales taxes when revenue permits.

Natural Resources

Has strongly favored export of power and refuses export duty or embargo on pulp or pulp wood, but would encourage the development of natural resources by cheapening machinery of production.

The Tariff

Appointment of tariff advisory board, mainly from the civil service.
"Tariff for revenue."
Continuation of British preference.
Encouragement to primary producers.

Emigration and Immigration

Promises to continue the present vigorous but selective immigration policy, which he claims is bringing settlers, and the present fiscal policy which he says is bringing back Canadians.

What the Conservatives Offer

As expressed by Mr. Meighen

National Railways and Shipping

Promises definitely no amalgamation; an immediate stoppage in capital expenditures; a reduction in operating expenses and would put a board of practical men in charge; but so far makes no further promises for putting the road and steamers on a paying basis.
Would not spend more on Hudson Bay Railway at present.

National Expenditures and Taxation

Tax reduction through stopping railway investments and capital expenditures generally, but proposes adding to taxation by railway freight concessions.

Natural Resources

Would introduce measures to encourage home manufacture of Canadian raw materials by embargos on export of power, pulp wood, asbestos, etc., with fair treatment of foreign interests until they adjust themselves to new conditions.

The Tariff

Higher tariff, including protection for agriculture, fisheries and mines as well as manufacturing.
A representative tariff commission to study and recommend how each industry can be best aided; such commission to have power to punish any men or group who take unfair advantage of the protection afforded.
A new preferential deal to be made with the United Kingdom.

Emigration and Immigration

Mr. Meighen considers this a problem of getting jobs, via the tariff. Contends that we cannot stop the great migrations or get more settlers until we have a sound stable tariff.

Maple Leaf Milling Company, Limited

PREFERRED DIVIDEND No. 61.

Notice is hereby given that a dividend [illegible] been declared for the quarter ending October 3rd, 1925, of one and three-quarters per cent (1¾%) on Preferred Stock, payable October 19th, 1925, to Shareholders of record at the close of business, October 3, 1925.

By order of the board,

J. A. LEHMAN, Secretary.

Big Game Hunting Along the Canadian Pacific

The great wildernesses of [illegible] forest are teeming with wild life. [illegible] giant moose, the graceful deer, [illegible] lumbering black bear and numerous other game animals are roaming the famous hunting regions of Ontario. Soon the woods will echo with [illegible] and rifle shot as the boys each in [illegible] secure the limit of game allotted by law.

North and west of the French [illegible] Mattawa Rivers, the deer [illegible] opens Oct. 25th to Nov. 30th. South of French and Mattawa Rivers [illegible] open season is Nov. 5th to Nov. [illegible] There are numerous points along the Canadian Pacific, in the districts mentioned above, that will provide every satisfaction to the devotee of big game hunting.

For the accommodation of hunting parties special hunters' trains will be operated, these will take every care of the hunters and their baggage.

Make your preparations now. Any Canadian Pacific agent will gladly supply any information desired as well as render every assistance in the arrangements of movements of hunting parties.

Gotfredson Corporation

LIMITED

Notice of Dividend

Notice is hereby given that a Quarterly Dividend of 37½ cents per share, being at the rate of $1.50 per share per annum, has been declared for the period ending September [illegible] 1925, payable October 15th, to shareholders of record at the close of business, Sept. 30th, [illegible]

By order of the Board.

M. H. Coleman, Secretary-Treasurer.

Walkerville, Sept. 24th, 1925.

Howard Smith Paper Mills Limited

DIVIDEND NOTICE on PREFERRED STOCK

Notice is hereby given that a dividend of 2% on the Preferred Stock of the Howard Smith Paper Mills Limited has been declared for the quarter ending the 30th day of September, 1925, payable on the 20th day of October, 1925, to shareholders of record at the close of business on the 10th day of October, 1925.

By Order of the Board.

HAROLD CRABTREE, Secretary.

Montreal, September 28, 1925.

PENMANS LIMITED

Dividend Notice

Notice is hereby given that the following Dividends have been declared for the quarter ending 31st October, 1925:

On the Preferred Stock, one and one-half per cent. (1½%) payable on the 2nd day of November to Shareholders of record of the 21st day of October, 1925.

On the Common Stock, two per cent. (2%) payable on the 16th day of November to Shareholders of record of the 5th day of November, 1925.

By Order of the Board.

C. B. ROBINSON, Secretary-Treasurer.

Montreal, Que., 28th Sept., 1925.

Abitibi Power & Paper Company Limited

Dividend Notice

Notice is hereby given that a quarterly dividend of One Dollar ($1.00) per share has been declared on the Common Stock of the Abitibi Power & Paper Company Limited, payable the 20th day of October, 1925, to shareholders of record at the close of business the 10th day of October, 1925.

By Order of the Board.

W. H. SMITH, Secretary-Treasurer.

Sturgeon Falls Ontario

Tenders will be received at my office up to October 14th, 1925, for the following debentures:

By-Law 588, Public School debenture, 6%, 10 instalments, guaranteed by Province of Ontario, for $15,000.00.

By-Law 596, House of Refuge debenture, 6%, 20 instalments, for $10,210.00.

By-Law 597, Waterworks debenture, 6%, 20 instalments, for $23,200.00.

Address to

Ls. Rod. Vannier

Town Clerk, Sturgeon Falls, Ont.

Montreal Tramways Company

Notice to Holders of Interim Certificates, General and Refunding Mortgage Sinking Fund Gold Bonds — Series "A"

Holders of Interim Certificates of the General and Refunding Mortgage Sinking Fund Gold Bonds, Series "A" of this Company, due April 1st, 1955, may now receive in exchange thereof the definitive Bonds of the Company by presenting the said Interim Certificates at the Montreal Trust Company, Montreal, or at the agency of the Royal Bank of Canada, New York City, New York.

PATRICK DUBEE, Secretary-Treasurer.

September 16th, 1925.

Featuring Fire Prevention

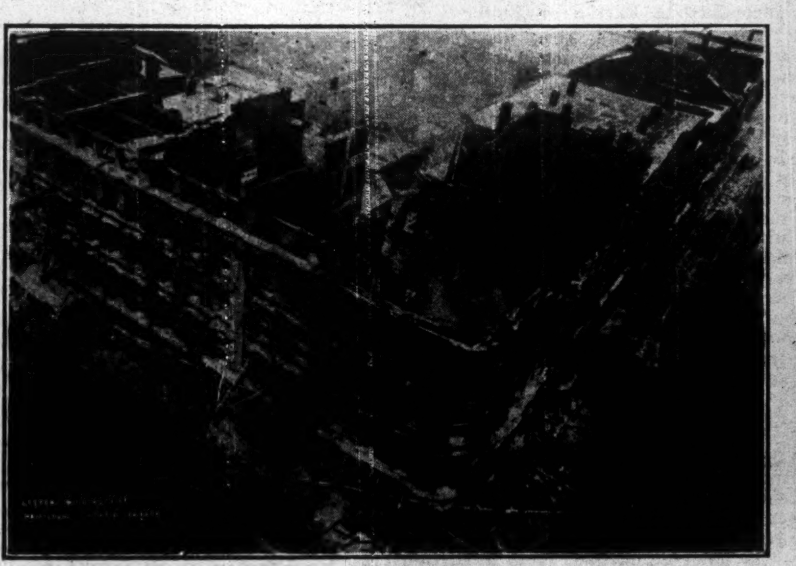
THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

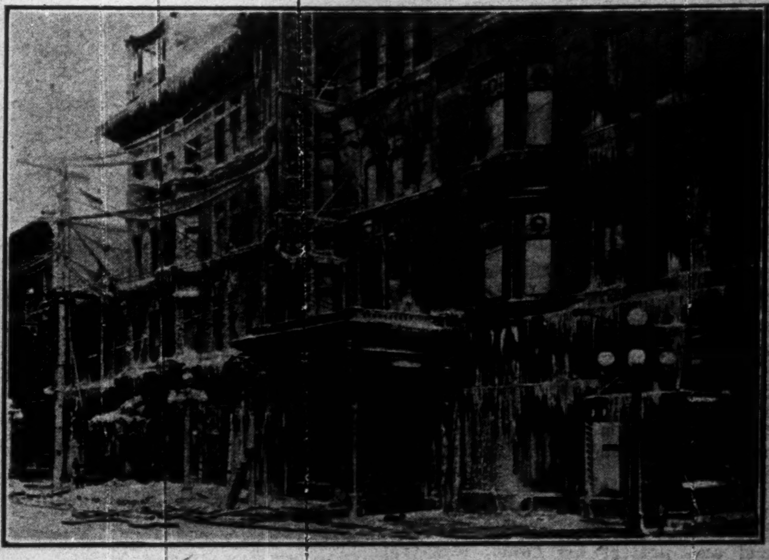
Special Section 17-32 PUBLICATION OFFICE: TORONTO, OCTOBER 2, 1925 Special Section 17-32

OCTOBER 4 TO 10 IS DOMINION FIRE PREVENTION WEEK

Canadian General Electric Fire, Montreal.



Lister Building Fire at Hamilton.



Dominion Theatre Fire, Ottawa.

Canada Can Reduce Fire Waste That Costs Nation $100,000,000 Yearly

No Excuse for Present Indifference to Problem — We Cannot Evade Our Personal Responsibility in the Matter of Fire Prevention — National Prosperity Menaced by Loss of Created Wealth and Human Life

By J. GROVE SMITH, Dominion Fire Commissioner

ONCE again, by Royal Proclamation, the people of Canada are directed to observe the week commencing October 4 as Fire Prevention Week. In the most emphatic manner are they enjoined to correct those conditions which menace our national prosperity by destroying created wealth and human life. The vital importance of seeking to curtail the fire waste of Canada cannot be questioned. Nor can any worthy citizen of this wide Dominion ignore so imperative a call to action.

The remark of the chief justice to Falstaff, "Your means are very slender and your waste great," might trruthfully be applied to the people of Canada. During the past ten years the value of insurable property destroyed by fire exceeded $370,000,000. In the year 1924, we burned real property worth $45,906,531, exclusive of the incalculable waste of merchantable timber in forest fires. This loss, amounting to $5.10 per capita of the entire population of Canada, does not, however, represent the whole story. The incidental costs of fire insurance and fire protection more than doubled the burden. Premiums paid to fire insurance companies in excess of the sum returned to policyholders for losses sustained amounted to $25,730,000; the cost of maintaining municipal waterworks and public fire departments for fire extinguishment purposes totalled $22,024,975; and the sum spent upon miscellaneous private fire protection systems reached approximately $12,1000,000. Including property values destroyed and the costs incidental thereto, the people of Canada in the year 1924 incurred an unproductive fire expenditure of $105,761,506.

$200 Every Minute

Let us analyze this figure in order that we may grasp its magnitude. It represents an average waste and expenditure of $287,671 daily, or roughly $200 every minute throughout the year. It is almost one-third the total Dominion revenue, only thirty million dollars less than the interest on our public debt, about equal to the revenue from customs, twenty million dollars greater than the revenue from the sales tax, almost double the revenue from the income tax, three times as great as the revenue from excise, and it exceeds by almost four times the post office revenue. It is thirty million dollars more than the total receipts of all provinces from taxation, licenses and fees, and only sixteen million dollars less than the total expenditure of Canada upon public education.

Compared with primary production in 1924, it was forty per cent. of the value produced by our forests, fifty per cent. of the value produced by our mines, over forty million dollars greater than our fisheries' production, fifteen million dollars greater than the revenue from hydro-electric power development, six million dollars greater than our pulpwood production, over thirty million dollars greater than our coal production, four times as great as our gold production, and almost nine times as great as the value produced by our silver mines.

Built Plants Five Times

Compared with building construction in Canada, it was fourteen million dollars more than the cost of all the dwellings and thirty-two million dollars more than the cost of all the business buildings erected in 1924. It would have financed the construction of five times the factories built and extended in Canada.

As compared with industrial production in Canada, it was many millions of dollars greater than the value of the output of our butter and cheese factories, automobile factories, cotton mills, sugar refineries, or oil distillation plants. It was more than double the value produced by our boot and shoe factories, knitting mills, confectionery and biscuit factories, clothing factories, woodworking establishments, foundries and machine shops, or printing works. It was over four times as great as the value produced by our furniture factories, paint works, agricultural implement factories, fruit canneries, or woollen mills.

Capitalized at Two Billions

Capitalized at five per cent., this tremendous annual expenditure represents the sum of $2,115,000,000. This sum is almost equal to the total investment of our steam railways in road and equipment, and only a little less than Canada's national debt. Think of how many miles of highways that money would lay, how many industries it would set up, or, if you will, regard its effect if it could be thrown into a hundred national and local programmes of constructive effort!

All such rosy speculations are vain. Gone beyond reclaim is all the material wealth destroyed by fire. True, the sums collected from the public to pay for protection against loss by fire are still a part of the national assets, but that is no greater consolation to the general public than is the compulsory levying and use of any other form of taxation. And the fire waste and fire cost is a gigantic tax. The burden descends upon us intimately, individually and inescapably. It enters into the cost of every purchase we make, since the expense of insurance and local taxation is incorporated into the price of every commodity and every service. As insurance rates invariably are an index of the fire loss ratio, it follows that the higher the loss, the greater the premium that the public through its commodity purchases must pay. Every loaf of bread and every automobile costs more because of the fire waste. The burden rests squarely upon the shoulders of every Canadian.

Thousands Lose Their Lives

Furthermore, it must not be forgotten that when industrial plants are attacked by fire, hundreds and sometimes thousands of men and women are suddenly thrown out of employment. Last year more than 127,000 Canadian employees were thus affected for various periods of time. Unemployment reduces the purchasing power of the whole community and lowers the standards of living for those most intimately concerned. Never a day passes in Canada without some industry closing down as the result of fire. In about thirty per cent of the heavy loss fires, all efforts to re-construct the buildings and continue business are abandoned. Burned properties and idle industries pay no taxes. But the communities budget requirements cannot be dispensed with. So an increased charge must be levied against those whose properties stand intact. The careful citizen must shoulder the penalty.

The Cost of Fire Protection

In addition, the cost of public fire protection must not be overlooked. To maintain an effective fire department is an item of considerable expense. There is no single public disbursement more necessary, nor one wherein attempts to economize are more certain to end disastrously. Municipal fire departments in Canada are equal in personnel to any in the world, but their maintenance and equipment must be reckoned as part of the tax we pay for fire. With a diminished fire loss, hundreds of communities in the Dominion might divert from the essential but unproductive work of fire defense, money that could better be employed in the tasks of civic betterment.

But the saddest and the most wanton and inexcusable item of the fire waste is the loss of human life. In the year 1924, it was reported that 372 persons were burned to

(Continued on page 18)

Dollars That Die and Those That Live

By I. G. HOAGLAND,
Secretary, National Automatic Sprinkler Association.

DOLLARS that die are those paid for financing the nation's fearful fire waste, and its stalking concomitants; chaos, disaster, disorder, and often bitter business defeat.

They are dead dollars, unproductive dollars. Their only function is to furnish fuel for the most colossal and wasteful incineration of wealth created by God and man in the history of civilization; even worse than that of war!

Unproductive dollars are the bugbear of business men, yet they go on year after year shelling them out in profound ignorance of what they are doing, to supply incineration fuel, and to pay for more than necessary insurance cost and other numerous costs.

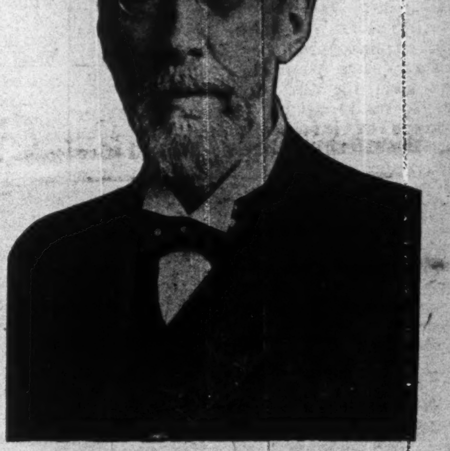
WHAT FIRE COST CANADA IN 1922-23-24

	1922	1923	1924
	$	$	$
Value of Property Destroyed	54,390,688	48,282,354	45,906,531
Insurance Premiums in Excess of Losses Paid	16,529,907	20,472,375	21,590,380
Maintenance Cost of Municipal Fire Protection	23,247,950	24,170,420	24,659,204
Installation and Maintenance Cost of Private Fire Protection	8,431,050	8,873,200	8,994,500
Total	102,599,595	101,798,349	101,150,615

Frightful Fire Waste Now National Problem

Loss by Fire is an Absolute Loss That No Art Can Conjure Back — Every Effort Needed to Combat Vital and Baffling Problem

By SIR GEORGE FOSTER,
President, Dominion Fire Prevention Association



DO WE quite take in the full significance of the fact that in 1924 the fire waste in Canada reached the maximum figure of $45,906,500, or $5.10 per capita of the population? And this, be it remembered, was exclusive of forest fire losses.

Place beside this the further fact that the destruction by fire is a yearly increasing occurrence. In 1898 the total property loss amounted to $7,978,300, or $1.53 per head of our population. In 1908 it was $18,922,100 or $2.91 per head; in 1918, $33,870,000, or $4.12 per head, and in 1924 it reached almost $46,000,000. Mass these losses from 1898 to 1924 and we have the enormous total of $611,965,400, or some two hundred and a half millions of dollars more than the whole public debt of Canada before the great war began.

That is, notwithstanding the increased intelligence of our people, the improved systems for fighting fires when started and for preventing them from breaking out, the better methods of building, the rigid inspections that have been set up, and the added carefulness from property owners, we are met with a most serious and largely unnecessary destruction of hard-earned wealth and to a yearly increasing amount. The facts bring us no comfort but they should incite to renewed activity.

There is an impression altogether too common that to the extent that these losses are met by insurance payments they are recouped, and that the waste of wealth is by that much reduced. A little reflection shows, however, that this is not so. The destroyed property represented capital and earnings that formed a portion of the nation's wealth. It has totally disappeared and can be brought back from its dis-united elements by no art of the conjurer. It can only be replaced by new capital and earnings. The loss is an absolute loss.

Carelessness a Big Factor

How far carelessness and consequent fires are due to the prevalence of the impression referred to cannot be definitely stated, but it is without doubt responsible for a considerable degree and the impression should be vigorously combated by every foe to fire waste and every advocate of thrift and resultant prosperity.

Another impression is extensively prevalent, viz.: that the fire loss, say for 1924 of over $45,000,000, falls upon the property-owners and the insurance companies and the rest of the community are not concerned therein or affected thereby. This is an utter and a dangerous fallacy. If $45,000,000 worth of property has gone up in smoke and flames it is just that much abstracted from the reserved wealth and working capital of the community, and can only be replaced by fresh earnings of millions of capital and a multitude of men spread over many years. The setback of the nation's prosperity is exactly measured by this diversion of labor and capital to the work of replacement, plus the cumulative loss involved therein.

The General Public Loses

Nor is this by any means the whole indictment. Every year, municipalities are obliged to bear the burden of waterworks and fire prevention and fire-fighting equipment, and keep up a small army of men to operate these services. Mounting fire losses mean additions to protective appliances and necessitate increased taxation for their maintenance. The third party, the general public, is a loser and gets no compensation. The property-owner has the solatium of the insurance payment which partly makes up his loss, and the insurance company recoups itself from the surplus premiums it has assessed on the general body of insurers so as to carry its risks, but the general public gets no set off. If this fact were kept generally in mind, the public would be more alive to fire losses and the necessity for their prevention and elimination.

The Pitiful Tale of Loss

It is incumbent, therefore, on all the foes of fire waste to possess themselves of these significant facts and give them currency. But space forbids further present pursuit of this vital and baffling problem. It is pitiful to read in every issue of our daily papers of the thousands and tens and hundreds of thousands of dollars that each day and night the fire fiend licks up in his destructive activity, and to think that in so many cases he is aided by the thoughtless carelessness of men and women and in not a few cases by studied criminal complicity. Surely, we should all, from every consideration, use every effort to combat and limit this frightful waste.

FIRE INSURANCE RATES ARE BASED ON FIRE HAZARD

Municipalities and Property Owners Who Provide Protection Benefit

MAKE OWN RATE

Each Establishment Pays According to the Conditions Inspectors Find Present

THE rates charged for fire insurance are in direct relation to fire losses, and in countries where the fire losses are small in proportion to the total values in the country, the fire insurance rates are low. In those countries where the fire losses are high in proportion to values, much higher rates msut be charged for insurance.

If the reports of the insurance companies to the various governments are examined, it will be seen that the companies, over a period of years, have made little or no money in Canada, and that the entire premiums they have received have on the average been expended in fire losses and expenses. For a good many years, the rates charged by fire insurance companies have been based upon a system of rating, by which reductions were made in the rates, when fire protection was provided. Sometimes, this protection was by the municipality, and sometimes only by the individual factory, if it was located in a small municipality, which did not have waterworks of its own.

For a period of years, the average rate charged for fire insurance has fallen from about 1¾ per cent. to one per cent. This means that, in proportion to the amount of property, there has been a considerable reduction in the fire losses, but they are still very heavy and it is believed by all those who have studied the matter, that a great many losses, that now occur, could be prevented, if greater care was exercised, and that, in fact, a large proportion of the fire losses are preventable.

The fire insurance companies, through their organizations, maintain inspectors to visit municipalities and inspect waterworks and fire appliances and, upon their reports, the rates in each town or city are lowered or increased or remain as they were, according to the conditions found by those reports. Over a period of years, the effect of these inspections and allowances for improved fire appliances have had the result of bringing the average rate down 40 per cent. from what it was some years ago.

Allowances For Good Construction

In our towns and cities practically all of the stores and factories are rated under a system, by which allowances are made for good construction of the building and for fire appliances maintained, which charges are made for hazardous conditions that are found. The effect, under this system, is that each property to a large extent makes its own rate. Agents for fire insurance companies are continually showing each property owner in what way he could make improvements in his risk, in order to reduce his insurance rate and this work tends to make a steady improvement in conditions and a corresponding decrease in fire losses, and in the rate charged for insurance. In this way, the insurance companies, through their system of rating, are exercising a constant influence towards the reduction of fire hazards and the reduction of fire losses, and consequently insurance rates.

It is the practice of many architects to consult with insurance companies before finally settling the plans of a proposed building. Thus they make sure that they have introduced modern fire appliances and arranged the building in such a way as to be safe from fire.

Control Fire Insurance and Cut Fire Loss; Nation Cannot Stand Heavy Yearly Drain

Deputy Fire Marshal of Ontario Suggests Ways and Means of Bringing Down Colossal Total of Waste From Fires That Should be Controlled — Stopping the Incendiary Will be a Long Step Forward

By GEORGE F. LEWIS.
President, Canadian Association of Fire Marshals.

CANADA is distinctly a new country. New sections are being settled. New towns are springing up continually. Truly we are nation builders, but, alas, it is only too often a repetition of the old story of "building to-day and burning to-morrow," thus frustrating a full measure of progress and prosperity.

Like the United States, Canada has been blessed by a kind and bounteous Providence with a lavish heritage of abundant, natural resources. Nature's gifts, however, have not been appreciated by her sons on this continent, but have been wasted and destroyed by fire in a reckless and prodigal manner. Our 120 million people cannot afford to maintain an ash-heap of $600,000,000 a year, and that's not including the further enormous losses from forest fires. The fire waste of the continent has increased 120 per cent. in the last 10 years.

If an enemy caused this holocaust, every man with red blood in his veins would rise in his might to defend and protect his home, factory, store, and loved ones, from the agonies of death and destruction. But these very things for which men lay down their lives to defend, are permitted to be destroyed in your country and mine, because our neighbor hath done it, without even raising a hand or voice in protest.

We are Courting Disaster

To men whose daily avocation or lives are spent in looking at every question from the standpoint of economics, it should not require much argument or persuasive effort to induce them to take the matter of fire prevention promptly and seriously in hand, if for no other than selfish reasons, to husband our national strength and conserve our natural resources and created wealth. With a continued increase in preventable fire waste, it would seem as though the people are committed to the destruction rather than the construction of our countries. It is obvious that we cannot continue to burn our material resources at the rate of nearly one and three-quarter million dollars a day without courting disaster. If we eliminate the big factory and store fires by practising cleanliness, order, inspection, and the installation of adequate fire-fighting apparatus, including automatic sprinklers, we would soon reduce the amount of our fire losses by one-half.

The question is frequently asked what is the reason for the great difference between the enormous per capita fire loss of the North American continent in comparison with the per capita fire waste of Great Britain and European countries. Having given the matter some consideration, it would appear from the study of the continental reports and conditions that the proper control of the human element is all that is necessary to effectively reduce to a minimum the fire waste of the country. In other words, the enforcement of proper regulations, followed up by systematic inspections, are the fundamentals in fire prevention, embodying at the same time the necessary emergency fire-fighting equipment suitably installed on the premises, together with a well-equipped municipal fire department and water works system. This, to my mind, makes the chain complete, but wherever a link is missing, the fire fiend is enabled to make serious inroads and cause property damage.

Canada and Germany Compared

For the sake of comparison, if we take the number of fires in the city of Toronto, we find that with a population of approximately 10 per cent. more, there were 2,736 fires in the year 1923, as against 498 fires in the city of Frankfort, a difference of 500 per cent. The average fire loss of the city of Corunna, with a population of 75,000, is $19,037 a year, caused by eight fires, or a total of 23 fires in three years.

Statistics go to show that on an average the combined fire loss of 13 chief cities of Germany amounts to approximately $1,067,205 a year.

In European countries, with only a fraction of the rate charged, the insurance companies are making money on underwriting, but, of course, their losses are proportionately low. Conditions are different, people are more careful, those who have fires are in some places considered guilty of arson until they can prove their innocence. It is a common assumption in this country that every man who has a fire is unfortunate and to be pitied. In Europe a person having a fire is looked upon as a public offender, and may have to make restitution according to the existing liability laws.

If There Were No Insurance

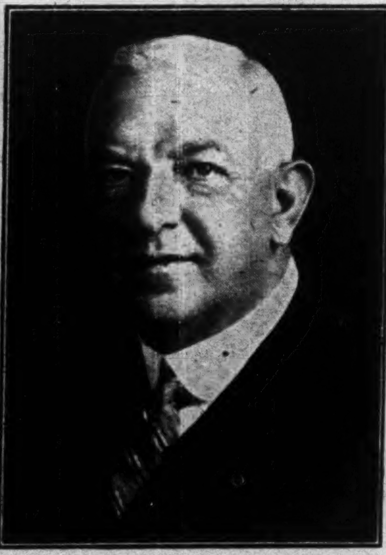
It is an axiom that, if there was no fire insurance, there would practically be no fires.

People would be careful and see that all hazards were removed, or at least reduced to a minimum.

Faulty construction would be eliminated. Fire traps would be a thing of the past. Substantial fire brakes would protect all high value areas, and the incendiarist would be deprived of his calling.

Fire insurance, however, and notwithstanding, will continue for all time, and the problem of fire waste

Helps Prevent Fires



GEORGE F. LEWIS.
Deputy Fire Marshal, Ontario.

created by man must also be solved by man.

Insurance Rates are Low

While rates may not, from the fire insurance companies' standpoint, be considered high, and may very properly be said to be insufficient to meet the demands of actual underwriting, still it must be admitted that the tax collected as fire insurance premiums every year amounts to a stupendous sum. The old-established fire insurance corporations have, through careful management, built up substantial surpluses which help to provide stable protection at a moderate cost, and, at the same time, enable them to pay their way.

The average rate of losses incurred per cent. of net premiums written for the year 1923 by all fire insurance companies in Canada was 62.82, and the average net underwriting loss (after deducting losses and expenses incurred) was 6.31 per cent. of net premiums written. This underwriting deficit was, on an average, made up by gains from other sources of invested funds. In 1922 the underwriting deficit for all fire insurance companies in Canada was 50 per cent. greater than 1923.

The conclusion is obvious that the insuring company must be financially strong—and have a premium income adequate to meet its claims for fire losses and running expenses—which will necessitate the source of income being high as long as the losses are big.

Losses Must be Reduced

No ordinary commercial concern could exist for any length of time and lose money year after year on the business transactions for which it was primarily functioning. The stockholders would demand a change of management, prices would have to be increased, or overhead expenses reduced. Now this, it seems to me, is the situation in the insurance world. Rates have got to be increased or losses very considerably reduced. This is not a case of helping the insurance companies; they are quite capable of looking after their own affairs. It is, however, a matter, and a very important matter, of looking after the interests of the people as a whole.

The volume of fire insurance business in the United States and Canada is stupendous, its ramifications are varied and must be met in a progressive spirit, and with broader ideas and a bigger conception than was considered necessary but a few short years ago. New conditions have brought new abuses, but with the inculcation of modern ethics, someone may be trusted to point the way.

Credit and Fire Insurance

"Credit" is the foundation on which trade and commerce of the world is built, and "fire insurance" is the keystone, the essential element, which completes the structure, locks its members together, and makes it safe and permanent.

Millions are loaned on the stroke of a pen almost every day in the year. The merchandise which enters into the transaction may be a thousand miles or more away, but the deal is made safe by another stroke of the pen, and a fire insurance policy comes into being.

To make these enormous transactions possible it is necessary that the commodities of "credit" and "fire insurance" be cheap. They are cheap—possibly the cheapest things in the commercial world to-day.

I will go farther and say that they are too cheap—they are too easily obtained by certain unworthy classes of the community. As these main arteries are necessary in the legitimate transactions of trade and commerce, so also are they taken advantage of in the illegitimate transactions of deception and fraud by the criminal classes in our community. These fire bugs have it down to a fine art, and apparently are able to obtain almost unlimited credit and unlimited fire insurance with ease and facility. They resort to all kinds of deceptive and underhand means to attain their object. Graphic illustrations of what I refer to are familar to all of you.

Incendiarists Fatten at Public Crib

Purely accidental fires are few in number and are not the cause of the serious fire tax on the people. Is it reasonable? Is it right to expect honest, hardworking people to supply the money to pay these fire fiends' losses and to keep on doing it?

Is there any other system or means in the world whereby these unscrupulous criminals could extort nearly a quarter of a billion dollars a year from the public and get away with it?

The most important phase of this problem for consideration is to see that property—buildings and contents—are not over-insured.

Over-insurance is a great temptation to a person to be careless and indifferent with regard to hazards from fire, no matter how honest he may be. It breeds bad housekeeping methods, with its concomitant accumulations of litter, rubbish, and general disorder.

If business is bad, it is a further temptation to rob the public by what is commonly termed "selling out to the insurance companies." With the criminal class, the arson gang, the pyro-maniac, or those who are hopelessly involved in debt, it is an invitation to have a fire.

Moral Risk of Insurers

Insurance men should satisfy themselves that the customer is a good moral risk and have an inventory submitted showing that substantial values are behind the cover applied for, and, with the exception of rapidly fluctuating lines of business, further concurrent insurance should not be permitted without written consent. If the merchants carried a portion of the risk themselves, they would be more careful to take adequate precautions to prevent fires. Incidentally the number of fire insurance agents should be restricted, and the business of fire underwriting raised to a higher professional standing than it now occupies.

I do not think that over-insurance and its concomitant evil results is the fault of the insurance companies as much as it is the fault of unscrupulous insurance agents whose only desire would appear to be that of pocketing the largest amount of commission possible. These are the harmful, pernicious barnacles of the insurance business who are impeding national progress.

This undesirable class of insurance agents is, I am glad to say. largely in the minority, and I believe the day is approaching when the wide-awake, aggressive and efficient insurance man, who is giving service to his client and service to his company, will eradicate this pest of good society.

To correct such conditions the insurance companies, agents, and fire marshals, should be in closer and more sympathetic touch in carrying on their work.

Control Incendiarists; Save $200,000,000

Now let us consider the debit side of the question.

Carelessness—criminal and indifferent—is the largest item. It has been proved beyond cavil that fully 80 per cent. of all fires are preventable. This opens up a broad subject in which the insurance companies and insurance agents are primarily interested—the control of fire insurance for the benefit of the companies and their clients, the insuring public.

The suggestion may, by some, be considered drastic, but I am convinced that we will eventually have to devise a system which will embody state and provincial control of fire insurance with the co-operation of the public under a broader conception of the mutual benefits which will be derived therefrom. Without going into details my thoughts may be summed up in three short paragraphs:

1. The state and provincial fire marshals should keep a chronological record of every fire that occurs with the name of the individuals connected with the concern in cross index form, or it might be more practicable for the purpose of establishing the state system to have a record of every fire insurance policy on the property under his jurisdiction, with an estimate of the value of the insurable risk.

2. Every fire should be promptly reported to the fire marshal by the insurance companies and by the local fire chief, giving besides the names of the individuals connected with the concern brief details as to the cause, origin and circumstances of the fire, stating in every case the known, or supposed, origin of the fire.

3. By means of a private code the fire marshal should advise all fire insurance companies doing business in his territory of the occurrences and in case of a suspicious or incendiary fire the miscreant should not be allowed to obtain fire insurance from any company.

Cost of Control System

The cost of maintaining a control system of incendiary fires such as this would be considerable, but it would be trivial, to the reduction of losses, and consequent saving which would result. in the great economic gain to the country at large. It would, probably, mean a saving of $200,000,000 a year from the present ratio of fire losses, as well as the preservation of several thousand valuable lives from the murderous torch of the fire bug. As long as there is a monetary incentive of gain it will be diffiuclt to stamp out the crime of arson through prosecution in the courts. The gambler will take a chance.

Selfish greed animates the acts of an incendiarist. He may not intend to commit murder, but he cares not nor yet thinks of the possibility of sacrificing human lives or the horrors of conflagration in committing his dastardly act. This desparate individual cannot control the ravages of fire once he has touched the match.

Should Get Together

In the ethics of constructive self-government, shall I say, among insurance, banking, commercial and industrial interests, the greatest leveller of friction, the greatest lawmaker, is a combination of knowledge and understanding. The most effective builder of constructive methods is getting together and talking matters over so as to arrive at a common understanding. Differences disappear, barriers are broken down, and insurmountable objects are brushed aside.

If the fire waste problem is not solved by those in the business, it will eventually have to be solved by compulsory legislation. The insurance companies will make money by eliminating the incendiarist — the fire-tax paying public will save millions of dollars yearly—so why should we hesitate in taking action—we will have the support and endorsation of all right-thinking people behind us.

The nation is simply the state or province expanded—the state is the town enlarged—the town is simply the home extended—it is the family multiplied—it is fraternity widened—so that everyone is involved and should, therefore, be interested in the solution of the fire waste problem.

The public has been aroused, and many important bodies that were formerly indifferent and apathetic are now actively engaged in fire-prevention activities.

A further encouraging feature of the situation is the indication that at least some sections of the country are awakening to the seriousness of the problems involved.

Out of the West comes the news that grand jury indictments of agents who over-insure property will be sought, to check the mounting losses due to incendiary fires. In Oregon, fines of $100 may be meted out against the agent and against the property owner who over-insures, and the agent, if convicted, faces the prospect of losing his license to do business in the state.

The Swiss also are alarmed at the ever-increasing number of cases of wilful destruction by fire of heavily insured farm properties and dwellings, so that a law has recently been passed providing that convicted incendiarists will be decapitated by the guillotine in future if one or more persons perish in the fire, or to perpetual imprisonment if there are no casualties.

These and other policies inaugurated in other parts of the country indicate a growing realization of the need for decisive action in view of the enormous increase in the burden of taxation due to fire losses.

The progress and prosperity of the state and nation is affected in proportion to the suffering of the city or town through the loss by fire of a factory or other institution that is functioning to maintain its industrial life, when the circulation of the regular pay roll is cut off.

The loss of a building through fire is a double liability to the community, for it removes from the assessment roll one of the income-producing properties of the town.

If you wish to enjoy good health, your blood must circulate freely, and if you are going to enjoy good business, money, must circulate freely. The stopping of circulation—money—through the destruction by fire of industrial and commercial institutions—is the stopping of breathing by the nation.

Should Hazardous Risks Be Given Fire Insurance?

What responsibility attaches to fire insurance companies in the acceptance of hazardous risks? That involves the question of accommodation lines, where a company is accepting risks from an agent who is supplying ninety per cent. good risks from the insurance point of view, but there is an occasional one that is a rotten risk, and the company feels under obligation to accept that risk from the agent because of the good business he is turning in. The consequence is that while everybody in a general way would say that the property should not be insured, the fact of the matter is the owner easily secures it. There are very few cases in Canada where the property owner has not some insurance, whether his risk be good, bad or indifferent.

A hazardous risk is one where the possibility of fire is so obvious that as careful people we should think twice before placing any insurance on that risk.

MRS. O'LEARY'S COW

Fire prevention week starts on Sunday. It is the fifty-fourth anniversary of the terrible conflagration in which 200 persons perished and nearly 100,000 were rendered homeless in the city of Chicago. Eighteen thousand houses were consumed covering an area of more than 2,000 acres. The property burned was estimated to be worth two hundred million dollars. Like other fires, it was small when it started; and, like the majority of fires, it was the result of carelessness. If Mrs. O'Leary hadn't placed the lamp too near the cow's hind leg it would not have been kicked over.

Stop and Think

CANADA and the United States lose $500,000,000 per year in fire waste. Every day there are:

One hospital fire.	Five school fires.
Three printing plant fires.	Six department store fires.
Four warehouse fires.	Eight public garage fires.
Five church fires.	Fifteen hotel fires.

Three hundred and fifty-nine dwelling fires.

Fire insurance saves nothing — it merely distributes the loss.

Fire protection saves something — at a high cost of upkeep.

Fire prevention saves all — at little or no cost.

—*Organ of Western Canada Insurance Club.*

Canada Can Reduce Fire Waste Costs Nation $100,000,000

(Continued from page 17)

death. Three thousand others were injured as the result of fires. Is it not true that these men, women and children, were useful to Canada and even the humblest amongst them contributed something to society? Viewed from the humanitarian standpoint, or from that of cold economics, this waste of life should be sufficient to impel us to determined action. We pay out millions of money in our endeavors to bring to Canada the people of other countries. Is it not a public duty that we should consider this worse than senseless payment of human life which Canada annually makes to fire?

Now, the question arises as to whether there are in operation immutable laws which place this unending contribution of life and property beyond the pale of human control. In European countries the fire loss per capita averages less than one-tenth of the loss in Canada. In 1924, the total loss in Great Britain with forty million people was only $37,200,000, as compared with $45,900,000 in Canada. Disregarding climatic conditions and the less inflammable construction to be found in Europe, analysis of the origin of fires indicates that personal carelessness is the paramount cause of Canada's burden of loss. Eighty per cent. of our outbreaks of fire could be averted and the waste which they entail avoided.

If, then, it lies within our power as a nation measurably to reduce this purposeless loss of life and property, why not set about it? It will require both individual and collective effort. Carefulness must be made an ingrained instinct. We must correct those conditions in our own premises which breed fire—the rubbish heap, the thoughtlessly disposed of match or cigarette, the defective chimney or flue, the oily rags, the open fire left untended. Fires from these and a hundred other elementary causes are quite avoidable. Their prevention involves only the application of common sense, the exercise of ordinary vigilance. Collectively, we should press for the introduction of better building and fire-prevention codes, for the more efficient equipment of public fire departments, and for the regular inspection of buildings by local fire organizations. No municipal investment will pay larger dividends. Most important of all, in the long run, we must make it our business to see that the children, the coming men and women of Canada, are brought up to recognize and eliminate fire dangers. In every school in the Dominion, fire prevention should form part of the instruction in practical citizenship.

No excuse can be advanced for maintaining an attitude of indifference towards a problem that has called forth a direct message from His Excellency, the governor-general of Canada. No amount of sophistry can evade our personal responsibility to Canada in the matter of fire loss prevention. The people must be educated in the idea that fires are not accidents, but that they are due to acts or omissions of individuals whose negligence imposes a burden upon the nation at large. The object of Fire Protection Week will only be attained if its observation be made a clarion call to a clearer perception of the obligations and duties of responsible Canadian citizenship.

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Fire Chief's Cabinet of Business Men Cleans Up London

Fire Prevention is a Community Affair in London as a Result of Organization of Business Men and Civic Bodies For Clean-up of Unnecessary Hazards—Alarm Apparatus and Fire-fighting Equipment to be Brought Up-to-Date — City's Bad Fire Record Made Move Necessary.

MAKING fire prevention a community affair is the ideal now sought after. Fire protection is a job, not only for the fire chief and his staff, but for every business man. As one Canadian fire chief put it recently:

"First of all it needs community spirit to get fire prevention propaganda properly conveyed to the general public, and no fire chief or other official can make any progress without the co-operation of every citizen behind this movement.

"I feel that there should be a fire prevention bureau in every city and town of any size, and that a good strong committee be appointed to look into the conditions of every community and act in an advisory capacity in so far as safe and sane building by-laws are concerned, and all other conditions that couple up with the fire hazards in a city.

"Inspection by uniformed firemen is most important, but of no value if you have not got the moral support of the people behind you. In the writer's opinion it is a moral obligation of every citizen to take an active part in making their city clean and free from fire hazards."

Work of Joint Committee

It is to organize public interest in practical fire prevention work that a body, called the Canadian Joint Fire Prevention Committee, has been organized. This body, in which are fused the interests of the Canadian Manufacturers' Association, the Canadian division of the American Water Works Association, the Dominion Association of Fire Chiefs, and the National Fire Protection Association, aims to co-ordinate bodies of public-spirited, influential citizens in the various cities and towns of the Dominion who have the welfare and best interests of the community at heart, as a "fire chief's cabinet;" and thus create about the chief a body of men and women who will act as his advisors and assist him in his plans for making the municipality fire safe.

London, Ontario, was the first large city in which the work of the joint fire prevention committee was launched. Through the medium of the officers and directors of the board of trade, the secretary explained the aims and objects of the committee and drew to the attention of these business men the serious conditions which existed in the city, resulting in a large increase in fire waste during the last nine years.

George F. Lewis, fire marshal of Ontario, and secretary of the committee, as a result of this conference, was asked to give an address at the annual dinner tendered by the board of trade to the mayor and members of the city council, and to which a number of prominent citizens were invited, when Mr. Lewis placed the fire prevention situation clearly before his audience, illustrating the increased fire waste during the last nine years, by means of a chart. He further demonstrated that the fire waste of a city, and insurance rates were incontrovertibly involved, and promised his help and co-operation to the fullest extent possible.

London's Bad Fire Record

In part, Mr. Lewis' striking address was as follows:

"Let me explain that everyone pays—there is no immunity or free passes.

"It is a common fallacy on the part of many to think that because property is covered by insurance there is no loss in case of fire. Fire insurance does not replace lost property; it only helps to pay the loss. Insurance companies collect money in the shape of premiums, and pay the losses from the money thus collected. Fire insurance is really an assessment on all to pay one. Everything we eat, drink and wear is insured and the consumer pays the cumulative assessment. It is, conseqently, from an economical standpoint, the duty of every person, young and old, to assist in the reduction of our fire loss, but no real progress will be made until the general body of business men and manufacturers grasp the idea that it is fundamentally their job."

Citizen Co-operation Needed

Mr. Lewis then proceeded to tell what work would be attempted in London, and he asked for the co-operation of the citizens in bringing down fire losses.

"Reference to this chart will show that the annual per capita fire waste of London, for the three year period 1916-1918 inclusive, was $2.35. The annual loss was $129,972, caused by 221 fires each year. During the next three-year period, 1919-1921, the number of fires did not increase but the loss more than doubled and the average per capita fire tax amounted to $4.50.

"For the last three-year period, 1922-1924, inclusive, we find that there was no increase in the number of fires but the losses increased 127 per cent. and your annual per capita fire tax reached $9.81. The fire waste increased at the rate of about $200,000 a year. The insurance loss in London for the year 1923 was $583,026 and the loss incurred per $1,000 insurance of amount of current risk was approximately $11.71.

"The average loss per $1 insurance of amount of current risk for all fire insurance companies doing business in Canada for the year 1923 was $5.50 so that the loss in London on this basis was 113 per cent. in excess of the average for the entire Dominion.

Two Sides to the Policy

"You buy fire insurance as you buy merchandise, with care and deliberation, but with this difference. The merchandise is delivered. You use it, you trade in it, you manufacture it, you make a profit on it. Fire insurance is paid for and you get a sheet of paper. It is a promise to pay a certain amount, under well defined conditions, if a certain catastrophe should happen. You put the piece of paper in your safe because it bears the signature of officers, who are acting on behalf of the company, in which you have your confidence. You trust the company, you are satisfied that it is solvent and that its affairs are conducted on a high standard of business ethics and that it will pay, inside of a year, or three years, according to the policy, should necessity require. An agreement of this character, like a round church, must have two sides; it must be profitable to the seller as well as the buyer. You can't stay in business and progress unless you meet your overhead expenses and show a profit at the end of a year. There are two things that the insurance companies can do. They can raise the rates so that it will pay them to carry on in London; or else they can drop out and not write insurance in the city, if it cannot be done on a paying basis. I have seen both of these plans adopted. To raise the rates in London to a paying basis would create chaos in business circles. It would mean a serious handicap to your manufacturers in competing for trade against concerns located in other cities. It would be hard for your merchants to meet prices for similar goods sold elsewhere. Should one of the big companies leave the city, your merchants might find it difficult to get insurance and, if they couldn't get insurance, they couldn't get credit and if they couldn't get credit, it would be difficult for them to remain in business.

One Serious Incident

"I have known a merchant, who owned a three story building with a 50 ft. frontage, who had been in business 32 years and had never had a fire. He owned a good stock of clothing and men's furnishings. One night, there was a fire on the side street of his block, and the roof of his building, around the back cornice, caught fire, but fortunately little damage was done. Nevertheless, the companies cancelled his fire insurance and, when I was conducting a survey of the town several weeks afterwards, he had not, up to that time, been able to get insurance on his stock and building. As the result of aggressive fire prevention work since then fires have practically ceased, and the people of the town are again happy and prosperous.

"Computation shows on the basis of net premiums, the fire insurance companies' income amounted to $348,-440 on their entire business in London during 1923, which would mean a net loss to the companies of $234,586, or 40 per cent. This deficit had, of course, to be made up by some other community. Adding expenses, commissions, etc., the gross loss sustained by the insurance companies for 1923 amounted to $467,796 in London.

"The average rate of losses incurred per cent. of net premiums written for the year 1923 by all fire insurance companies in Canada was $62.82; and the average net underwriting loss (after deducting losses and expenses incurred) was $6.31 per cent. of net premiums written. This underwriting deficit was, on an average, made up by gains from other sources of invested funds.

Desire to Co-operate With Others

"Our desire and object is to make a special study of local conditions and to stimulate or create local agencies to undertake and achieve the desired improvement.

"We will help and co-operate to the fullest extent possible, and place our technical knowledge and experience at your disposal. We will do even more than that, we will bring our trained men in to help educate your people in the ethics of fire prevention and also work with your local fire chief and his officers, in making a thorough inspection of the city; to correct hazardous conditions and to order the repair or removal of old dilapidated buildings, that are a fire menace to surrounding property, and a canker and disfigurement to the beauty and attractiveness of your city.

"We ask you to appoint some of your most prominent and influential citizens to form a 'Fire Prevention Committee' or 'Fire Chief's Cabinet,' for the furtherance of all effective plans or forms of fire prevention, and thus create about the chief a body of men and women, who shall act as his advisers and assist him in his plans for making this city fire safe. This plan has proved of inestimable value in helping to reduce the fire waste in some cities across the line; notably Norfolk, Va., Charleston, W. Va., Lynn, Mass., New Haven, Conn., Durham, N. C., Charlotte, N. C., Memphis, Tenn., Indianapolis, and other places.

For Everyone's Benefit

"They will not, however, ask you to do anything unreasonable or that is not for your own personal benefit, or anything that will not help towards bettering local conditions generally: If these requirements are permanently adhered to, they will tend to secure lower insurance rates. A clean city has few fires.

"What the 1925 fire loss will be depends upon the support and co-operation which your citizens give us and the enthusiasm with which they enter this campaign to reduce the fire waste at least two-thirds.

"It can be done.

"Last year, Oshawa, a manufacturing city of 16,000 population, had fire losses amounting to $3,680, a per capita loss of 23 cents; a record largely due to the splendid fire prevention work of a capable, energetic volunteer fire chief, backed up by a loyal and enthusiastic body of volunteer fire fighters.

What Cleanliness Can Do

"What can be done by care, cleanliness and concerted action on the part of the people may be graphically illustrated by the experience of two cities.

"In 1913 when the Indianapolis water works power plant was out of commission for four days, during the flood, there was not a single fire loss in that city. The people were notified, that if a fire did start, it might result in a serious conflagration and the destruction of a greater part of the town.

"In 1919, during the eight days that most of the firemen in Cincinnati, who had resigned, were away from their posts, the fire loss in the city was less than $500.

"It would thus seem that the more helpless we are and the more we have to rely on ourselves the more efficient we become in the art of fire prevention.

"Crime enters into the great annual loss from fire for which we are taxed. People do not, as a rule commit crime without an incentive and a motive. It is here where the moral hazard comes in. It is in this connection that the insurance men can materially help, by closer co-operation and systematic protection of their common interests, by safeguarding the people's money with which they are entrusted.

"It has been well said that 'national character cannot be built by law, it is the sum of the moral fiber of its individual.' Much can be done through the initiative of leaders in various commercial bodies in establishing higher ethical standards, and co-operating for the purpose of eradicating vicious and unfair practices.

Appealing to Better Instincts

"If the public conscience is sufficiently aroused the better side of a man's instinct will respond even though under more unfavorable surroundings he were criminally inclined. The atmosphere we breathe has an influence on our lives."

"Fire Chief's Cabinet" Formed

As a result of this meeting the mayor called a conference of representative citizens from some 27 local organizations, and at that gathering a fire chief's cabinet, consisting of 15 members was formed. The cabinet has taken hold of the work of fire prevention in London in a practical and comprehensive manner, and sub-committees have been appointed to take up special phases of the work.

School Children Enlisted

A competition among the school children was arranged, by offering cash prizes for the first fifty boys and girls who correctly solved the fire prevention cross-word puzzles conducted by the newspapers. It was also planned to conduct, through the school children, with the aid of their parents, a system of home inspection for which a printed form of questionnaire is being furnished. The pupils were asked to write an essay about the conditions commonly found in a home, or place of business, what causes fires, and to point out how careless habits can be changed, hazardous conditions corrected, and fires prevented, so as to safeguard life and property in their city.

A special fire prevention competition was conducted for boy scouts and girl guides, and additional prizes were provided for the successful contestants in these organizations. The prizes were donated by local merchants.

It was believed that the children could be made effective allies in the work of fire prevention, and as an auxiliary body support the efforts of leading citizens organized through the fire chief's cabinet.

Made 1,300 Inspections

Then the "fire chief's cabinet" of business men and the provincial fire officers got to work. Between January 20 and March 18 of this year they inspected 1,317 premises. Of these buildings, 612 were found to be in good condition. In 705 cases orders and instructions were served on owners or occupants requiring hazardous conditions to be remedied. Subsequent inspection proved the instructions were being carried out.

A review of the hazardous conditions uncovered is typical, because London is but a typical Canadian municipality and the conditions found there would probably be found in hundreds of other municipalities.

Danger Spots Eliminated

To quote from an interim report by the committee to the city council:

"In 162 cases, unnecessary accumulation of waste paper, excelsior, packing materials, crates, and other refuse, were found on premises and upon request of the inspectors were removed and the occupants have given assurance that safe conditions will be maintained in future.

"In 74 other cases, orders were issued requiring a general 'clean-up' where conditions were found to be in an unsatisfactory state. In 71 of these cases, fireproof compartments or metal lined bins with self-closing covers were provided after our inspections were made.

"In 164 cases, occupants were required to provide metal or other fire resistive recepticles for hot ashes.

"In 112 cases, provision was made to guard against fire starting in the vicinity of furnaces, stoves, electric heaters and gas plates and also requiring the safeguarding of stoves and open fires by metal plates and wire screens.

"In 42 cases, badly rusted, ill-fitting, or dilapidated stovepipes were ordered replaced with new ones.

"In 40 cases pipe holes in partitions and chimneys were required to be closed with metal stoppers.

"Some 31 cases were found where corrections were necessary in electric wiring, switches and apparatus, in connection with which our inspectors had the assistance and co-operation of the local hydro-electric inspector.

"In 25 cases fire doors were either ordered to be installed, or to be put in proper working condition.

"It was found necessary to have 12 new fire escapes erected on buildings where the hazard to life from fire was found extreme and no proper means of exit had been provided.

"In 26 cases provision was made for the safe keeping of oily waste, oil drips, etc., so as to prevent spontaneous ignition.

"Miscellaneous orders consisted of: Construction and repair of chimneys; recharging chemical extinguishers; safe storage of gasoline; replacing deteriorated gas tubing; repair or replacing hose on stand pipes; filling up and fire stopping of holes in party walls; the plastering of walls and ceilings; the protection of joists and ceilings from furnace pipes; the displaying of proper lights and signs indicating fire exits;

Recommendations to Council

This inspection work was only a starting point. A thorough survey was made of the community's fire alarm, with distribution and fire-fighting systems and specific recommendations were made for improvements. It is as yet too early for these recommendations to have been acted upon in full, but the work of the "fire-cabinet" still proceeds and London is rapidly being made "fire-safe."

Similar work will be carried on in additional municipalities, and it is hoped in time that an effective contribution will be made to the work of promoting spotless town housekeeping conditions and of reducing our awful fire loss record.

Five million dollars was lost in the Atlanta, Georgia, fire, which started from an electric iron.

The $40,000,000 Baltimore fire was due to a careless smoker.

What Joint Fire Prevention Committee Aims to Get

1. Systematic inspection by a fire prevention division of the fire departments to keep the cities free from accumulation of rubbish and eliminate other bad housekeeping conditions which cause fires.
2. Revision of, or amendments to, building codes requiring greater general use of fire safe materials in building construction, fire resistive roof coverings, protected vertical and horizontal openings and the more general use of automatic sprinklers.
3. The keeping on hand at fire headquarters of a sufficient number of "conflagration hose and hydrant couplers," so that in case of emergency, a nearby fire brigade, using a different thread, can hook up with the local system and thereby do practical work in assisting the fire department.
4. Adequate ordinances governing the storage, sale and handling of flamable liquids and explosives.
5. Adequate flow and pressure of water for fire-fighting purposes. Efficient fire alarm telegraph system and fire fighting apparatus.
6. Public education in the proper transmission of fire alarms and the value and importance in all properties of first-aid extinguishing devices.
7. Periodic fire drills in schools, factories and other establishments where a number of persons are employed.

Weekly Record of Fire Losses in Canada

Place	Property	Date	Loss	Insurance	Cause
BRITISH COLUMBIA					
Revelstoke	E. C. Stuart, res.	Sept. 13	......	Partial	......
NEW BRUNSWICK					
Annapolis Royal	W. A. MacPherson, barn	Sept. 20	......	$800	Spon. Comb.
Dyer's Station	W. Dyer, res. and bldgs.	Sept. 22	Heavy	......	......
NOVA SCOTIA					
Amherst	W. F. Beattie, barn and contents	Sept. 19	......	Partial	......
ONTARIO					
Sidney, Nr. Frankford	C. Striker, frame residence	Sept. 21	$4,000	......	......
Ottawa	Apartment building	Sept. 24	$4,000	Covered	Unknown
Niagara Falls	Pulpmill	Sept. 24	$10,000	......	......
Warsaw	W. Davis, barn and contents	Sept. 11	Total	Partial	Lightning
Sandwich	H. G. Oxford, res.	Sept. 18	$8,000	Partial	......
Oakville	W. C. Henry, barn and crop	Sept. 16	$25,000	Partial	......
Malvern	W. Little, barn, crop and livestock	Sept. 22	$8,000	......	......
Omemee	J. McConnell, barn and contents	Sept. 22	Total	Small	Unknown
Morrish	M. Allison, barns and crops	Sept. 23	Total	Partial	Unknown
Chapman Twp.	T. Hicks, barn and crops	Sept. 17	Total	......	Ligtning
Banks	C. McLeod, barn and crops	Sept. 18	Total	Partial	Lightning
Bracebridge	J. D. Smith, res. and store	Sept. 19	$8,000	$2,300	Lightning
Fallbrook	H. Gallagher, barn, car, crops	Sept. 18	......	Partial	Lightning
St. Mary's Dist.	A. Pierson, barn, crops	Sept. 17	$12,000	$4,500	Lightning
Hamilton Beach	Birely estate, res.	Sept. 23	Total	......	Unknown
Parker	E. Casey, barn and thresh. outfit	Sept. 18	Heavy	$3,200	Oil lantern
QUEBEC					
St. Mamille	Parish Church, Can. Nationale Bank offices, 6 stores and 6 res.	Sept. 22	$100,000	......	......
Montreal	H. F. Richardson, yacht	Sept. 23	$15,000	......	Explosion
Village of Scott	2 res. and barns, etc.	Sept. 24	$8,000	Small	......
SASKATCHEWAN					
Buckland	F. Zoellner, farm house	Sept. 22	$6,000	Partial	......

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Canada Could Cut Fire Loss by 70% by Making Sprinklers Compulsory

Large Fires Responsible for Over Half of Loss, Yet in Large, Sprinklered Properties Losses Are Infinitesimal — One Immense Plant Loses Only $500 a Year — Authority to Pass Laws Exists

IS THE reduction of Canada's fire waste a problem, or is it merely a question? According to the dictionary, a question only becomes a problem if the answer is exceedingly difficult to discover. Can the prevention of fire losses be included within that category of questions?

Let us look, first, at a limited number of the more important manufacturing and merchandising establishments in Canada. Some of them are of concrete and others of brick or wood construction; some of them carry on extremely hazardous processes of manufacture; practically all of them have large insured values. These factors, however, make no substantial difference. Year in and year out, the losses by fire in these properties average less than five cents per hundred dollars of insurance carried.

One Company's Fine Record

Take, for instance, the record of one of the largest producers of agricultural implements in Canada, with insured property worth millions of dollars. During the past thirty-three years, fires originating in plants under the control of the company have occasioned an aggregate loss of less than five hundred dollars. That is an outstanding but not an isolated instance. There are hundreds of other concerns with equally creditable records. These establishments have found that the prevention of fire does not constitute a problem. It is merely a question of carefulness, plus effective fire protection.

Now, in Canada, insured property has a present value of aproximately eight billion dollars. If the same loss ratio which obtains in some two thousand sprinkler protected properties were general, the fire loss of the country in 1924 would have been $4,500,000 instead of more than $45,000,000. If the same ratio were only extended to the more important industrial and mercantile establishments, the saving in 1924 would have exceeded $20,000,000. In 127 fires, in business properties alone, the damage amounted to more than fifty per cent. of the total fire loss of the entire country. These are figures to conjure with! They resolve the so-called fire waste problem into a simple question of reasonably extending the scope of automatic sprinkler protection.

Shall We Sell or Force?

What does such a question imply—a sales campaign for sprinkler manufacturers or compulsory installation by governmental authority? If the former, the time is far distant when there will be any appreciable reduction in the fire loss. The selling of special fire protection equipment is a long and arduous task. It has been done to a limited extent, but it requires a combination of favorable local circumstances and intensive sales methods that business economy forbids on anything like a national scale.

Five years ago, the Dominion Fire Prevention Association attempted to stimulate the installation of automatic sprinkler protection by means of a widespread campaign of publicity and by a special canvass of large property owners. Owing to the high cost of equipment at that time, an arrangement was entered into with the sprinkler manufacturers whereby it was possible to effect considerable savings for property owners. The results were far from encouraging, although some good was accomplished. The persons who most persistently complained of the excessive cost of insurance were the persons who, for various reasons, refused to protect their properties so as to merit lower insurance rates. The managers of business concerns, who talked most pathetically about the scandalous fire losses of the country, were found to be entirely indifferent to their own safety, so long as possible loss was covered by insurance.

> **Is This Saving Worth While?**
>
> "The greater proportion of the fire waste in Canada occurs in large and valuable industrial and mercantile properties. The fire waste in Canada can be reduced almost seventy per cent. by the installation of automatic sprinklers in all important business buildings."

Our Problem is Psychological

The only logical conclusion is that the main difficulty in curtailing Canada's fire waste is psychological.

In a word, the general attitude towards fire is largely humbug. The characteristics of fire are well known and the penalties for neglecting obvious precautions are well understood. There is never a child burned to death; never a tenant suffocated in a jerry-built rabbit-warren; never a stock of merchandise scorched, soaked and thrown on the dump; never a factory fire lighting the heavens with lurid flames, but what some single, determinable human agency of neglect is directly responsible.

We do not ask that property owners should become fire protection engineers: we simply ask them to instal such safeguards in their properties as long experience shows to be most effective. We, moreover, stand ready at all times to advise and assist them in every precautionary measure that they may undertake.

Consider the matter from the municipal standpoint. Five hundred and seventy-nine cities and towns in Canada have spent approximately $200,000,000 to carry water through thousands of miles of street mains. After bringing it to the curb, they employ four thousand firemen and maintain fire extinguishing apparatus at an annual cost of over $15,000,000 to rush through the streets and carry the water a few feet further to burning buildings. Under present circumstances the expenditure is perhaps justified, for without it our cities and towns would be wiped out by the score. The point is, that having gone so far at the public expense, the municipalities fail to make individual property-owners complete the chain of adequate protection.

A public water supply is right at the doors of thousands of dangerous buildings.

When those buildings, one after the other catch fire, paid firemen stand and ineffectively shoot water at them from a distance. What could be more sensible than to extend the water into the buildings and instal an automatic agency that would extinguish every fire as soon as it started?

That simple expedient has reduced fire losses to practically nothing in the establishments to which reference has been made. Only by the extension of the same principle to all important buildings in Canada can the fire loss appreciably be reduced.

Installations Should be Compelled

Under Dominion and provincial fire legislation and by powers conferred upon municipalities there is ample authority available to compel the installation of automatic sprinklers in any building designated as being unsafe. So far, no advantage has been taken of that authority. Objection is made that it would entail a serious cost upon individual property-owners. There appears to be equal appreciation of the fact that through failure to instal adequate protection in buildings, the individual property-owner is burdening the general public with an annual fire cost running into millions of dollars. As a matter of business, both fire losses and fire protection are paid for by the ultimate consumer of commodities made and handled in Canada. That being recognized, it would seem more reasonable to instal effective protection in private property at the public expense than to pay excessive sums for municipal fire protection, and when properties are burned, further indemnify the negligent owner. Under existing circumstances, the public not only foots the entire bill, but loses the value of the property that is destroyed.

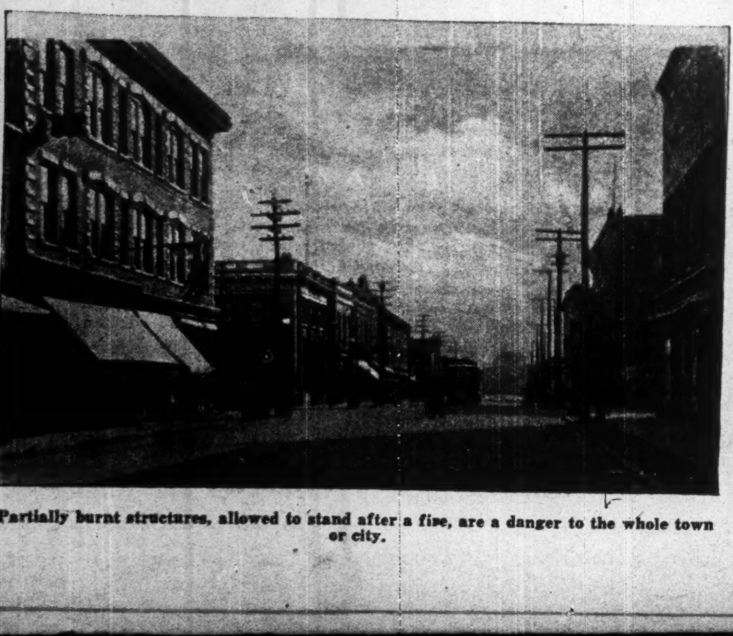
Could Reduce Loss 70 Per Cent.

In multitudinous ways, the Canadian people are taxed for the indulgence of carelessness and are called upon to bear the penalties of individual neglect. In no direction, however, is this more apparent than in connection with fire waste and it is a public duty to state the fact. After many years of study of fires and fire losses in Canada and other countries, three things impress themselves as being unmistakably clear to any common understanding. The greater proportion of the fire waste in Canada occurs in large and valuable industrial and mercantile properties. The fire waste in Canada can be reduced almost seventy per cent. by the installation of automatic sprinklers in all important business buildings. No person should be permitted to erect or occupy any building or insure any property unless it is adequately protected against fire. To-day, irresponsible property-owners are draining the productive industry of the country of millions of dollars and exacting a stupendous penalty in heartaches and sorrows. Common ignorance will always menace the public welfare, but that neglect, indifference and lawlessness which pays no heed to earnest and intelligent appeal should be made subject to legal constraint. There is no problem involved in the reduction of Canada's fire waste—it is simply a question of common sense.

A Menace Like This—

Part of this building is still occupied. Photograph was taken about one year after fire in which a Chinaman was burned to death. To-day it is simply a fire trap, and a menace to the municipality where it stands.

—Can Wreck a Town Like This



Partially burnt structures, allowed to stand after a fire, are a danger to the whole town or city.

They Thought It Was Fire-proof

MONTREAL CITY HALL AFTER THE FIRE

Another building which nobody thought could be burned. Insurance will enable the structure to be rebuilt but the valuable records are gone forever. Have you ever said—"We couldn't have a fire in our building"? Look at these pictures. Think it over.

$100,000 Fires Bulk Total

Class of Property	No. of Fires	Property Loss
Factories & Industrial Plants	38	$7,140,290
Mercantile warehouses, stores, etc.	22	3,756,450
Business & Omnibus blocks	31	4,582,370
Misc. exposure fires	11	2,994,416
Public bldgs., churches, schools	15	2,963,840
Misc. property	10	1,873,415
Total	127	23,310,781
Per cent. of Canada Total	0.42	50.8

It will be seen that 127 fires were responsible for 51 per cent. of Canada's fire losses in 1924.

FIRES FEED ON WASTE

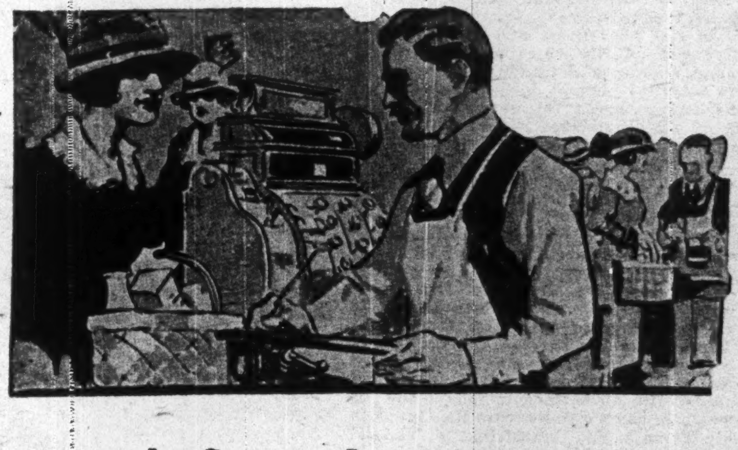
Millions of dollars can be saved annually, and our resources conserved by using ordinary precautionary measures and eliminating carelessness. Accumulations of waste paper, boxes and rubbish are the things that fire likes to feed on, and if your house, basement and attic as well as the shed and surroundings, are kept clean and free from other hazardous conditions, such as storage and handling of gasoline, etc., the fire menace will be reduced to a minimum.

Agricultural Insurance Company

Watertown, New York

A Dependable Company

A Fire Insurance Policy That Pays Dividends to the Policyholder



In all Business the Greatest Increase comes through Customers who Advocate and Advertise a Satisfactory Service—

Mutual insurance policy holders judge the worth of their policies by results,—by the character of protection and by the cost of that protection.

Operating mutually, the management must get favorable results or the policy holders would become dissatisfied and growth would be impossible.

The steady growth of this company is proof positive that the advantages are all we claim.

RESULTS TO POLICYHOLDERS SINCE ORGANIZATION

Losses paid to policyholders	$10,925,858.88
Dividends and Savings to policyholders	$ 8,276,271.83

Northwestern Mutual Fire Association

Canadian Head Office - Hamilton, Ontario

BRANCH OFFICES:

OTTAWA, ONTARIO, 208 Union Bank Bldg.
TORONTO, ONT.—411 Hobberlin Building.
CHARLOTTETOWN, P.E.I.
HALIFAX, N.S.—Sackville and Barrington Sts.
ST. JOHN, N.B.—Standard Bank Bldg.
MONTREAL, QUE.—50 Beardmore Building, St. Peter Street.
EDMONTON, ALTA.—906 McLeod Building.
WINNIPEG, MAN.—Canada Building, Donald St.
SASKATOON, SASK.—Canada Building.
VANCOUVER B.C.—801 Vancouver Block.

F. J. MARTIN—President.

R. J. MAHONY, Associate Canadian Manager. NORMAN S. JONES, Manager for Canada.

Automatic Sprinklers Save Forty to Ninety Per Cent. of Insurance Premiums

They Have Put Out 40,000 Fires Since First Introduced on Continent — Big Savings in Insurance Premiums When They Are Installed

THE rate at which this continent has created wealth and then reduced it to a colossal ash heap is nothing less than appalling. During the past forty years, seven billion dollars in property values have been consumed, and upwards of 250,000 human beings have been incinerated in the funeral pyre.

But that is only part of the staggering waste. It has been conservatively estimated that the incidental losses caused by fire, such as those resulting from interruption to industrial and commercial enterprises, amount to as much as the actual property losses. And even that does not completely represent the entire burden that fire waste imposes. The costs of collecting and distributing insurance indemnity, the maintenance of water supply for fire control, in the aggregate amount to as much as the total property loss.

Economic Loss Stupendous

The property loss, the business stagnation loss and the cost of indemnity and defence, constitute the fire tax. The sum total of these three factors, has amounted to fully $21,000,000,000 in the last forty years. There might also be included the loss to society in the fearful toll of human lives, but the extent of this is beyond intelligent reckoning. The fire waste was never greater than now. During the past two years, the actual property destroyed was valued at over one billion dollars. If this rate continues, the property loss in the next forty years will be twenty billion dollars. In terms of the fire tax, we are staggering under a burden of economic waste that amounts to, approximately, $1,500,000,000 per annum.

As bad as the fire waste has been in the past, it might have been worse had it not been for the development of the art of controlling fires by automatic sprinklers. During the past forty years, records show that there have been more than 40,000 fires controlled by automatic sprinklers. This has been estimated to represent an economic saving of fully $3,000,000,000. To this we may add another $1,000,000,000 as the reasonable potential value of human lives saved to society. This estimate may better be appreciated when it is remembered that in the average manufacturing plant the investment per operative is often as much as $2,500. For each one absent there is an economic loss and lessened efficiency. That part of the plant investment itself which the employee represents has lost its earning power, to say nothing of what the employee loses. It is not overstating a fact to say that protection from fire in the principal industrial establishments of the United States has reached a higher standard of excellence than in any other class of activity in this or any other country. This largely is due to the development of the positive control of fire by automatic sprinklers. The use of automatic sprinklers has become so extensive that there are now fully 20,000,000 persons under their constant protection.

No Life Lost With Sprinklers

Autuomatic sprinklers have proved to be applied perfection in safeguarding human life. During the 40-year period of development, with millions of persons congregated daily in sprinklered buildings of all forms of construction, and mainly of quick-burning type, there has not been a single instance of loss of life under the usual circumstances of fires. But all the while the loss of life by fire in properties not sprinklered has been constant. More than ten fires a day are controlled by automatic sprinklers in the United States and Canada. Many of these fires occur under conditions which endanger life; yet the slate continues clean. Illustrative of the efficiency of automatic sprinklers are the statistics of fires compiled by the National Fire Protection Association. For the 25-year period, 1897-1922, automatic sprinklers have sucessfully controlled in 95.7 per cent. of 26,888 fires. The reason for the lack of success in 4.3 per cent. of the number was mainly because water was shut off sprinkler systems. More than one-third of the fires were extinguished by only one sprinkler head; and over 60 per cent. was controlled by not more than three heads. In the most hazardous of all classes of property, cotton mills, sprinklers were 99 per cent. efficient. Of the classes of property included in the record, there are forty-two in which there is a pronounced hazard to life. These are only 30 per cent. of the total number of classes, yet in them occurred 52 per cent. of the fires. And the proportion of fires successfully extinguished in these "life-hazard" classes is 98.12 per cent., or nearly three per cent. better than the general average.

Big Rate Reductions Obtained

Reductions of rates because of automatic sprinkler protection range from forty to more than ninety per cent. of the rates on properties not sprinklered. Being relieved of the bulk of the onerous fire tax, manufacturers and merchants are able to increase their profits from five to over twenty per cent. There are, however, other and more serious results from fire than the property, income and profits losses which are inevitable. Interruption of relations with the market and with the personnel and organization of factory or commercial methods is something for which there is neither insurance nor indemnity. But automatic sprinklers give assurance against such contingencies and provide protection which money cannot buy in any other way. To give protection from fire as absolute and as positive as human ingenuity can devise. This effectiveness is well illustrated by the underwriting experience of an insurance company which confines its business to industrial properties, chiefly textile mills. Since the introduction of automatic sprinklers, the company's business has increased more than 8,000 per cent., while the cost of insurance has decreased 84 per cent.

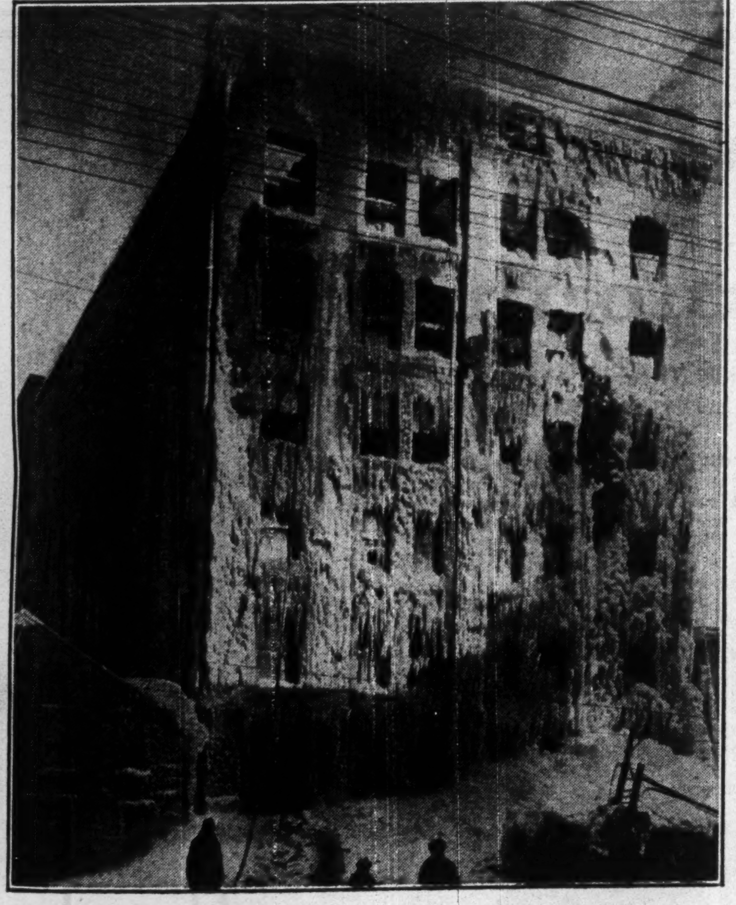
The automatic sprinkler is rightfully acclaimed the world's greatest fire fighter. The reason is that it is always on duty. Fire-Chief Kenlon of New York says the automatic sprinkler is "the silent guardian of life and property which slumbers not nor sleeps." It opens on the heart of the fire as soon as the heat makes itself felt, and does not have to be called from its quarters, like the fire department. It pours water on the danger spot and that spot alone, instead of deluging the building. It can work just as effectively in thick smoke, dense darkness and extreme heat as anywhere else, and can keep up its attack on a stubborn fire under conditions which would drive out the human fireman.

To-day there is a wide range of application of automatic sprinkler systems to classes of property other than industrial and mercantile buildings. Schools, institutions, theatres, places of public assembly, hotels and office buildings, many of which are so-called "fireproof" construction— all place their confidence in sprinkler protection. Popular fancy invests the term "fireproof" with safety from fire, thinking that incombustible materials of construction have power to impart their characteristics to the contents. They cannot, by any stretch of fancy, be considered as having any effect whatever on the burning of the combustible contents of buildings and, therefore, the term is misleading. Complete fire resistance is made possible only by automatic sprinklers. The heat-actuated discharge of water right where it is needed most, in the heart of a fire, not only subdues the flames in combustible contents, but also fortifies the resistance of the incombustible materials of construction.

Sprinklers Are Efficient

The records of the Dominion government show that so far as Canada is concerned, there has never been a complete loss of any plant that has been equipped with a sprinkler system, according to the rules and regulations of the Board of Fire Underwriters, or according to the recommendations of the department.

Preventable Fires — A Recent Example



This picture shows the remains of the Tees & Persse building, Williams Ave., Winnipeg, which burned last year.

This building was considered one of the best mill-constructed buildings in Western Canada, but, owing to detail in the construction which seemed insignificant, the fire was communicated from floor to floor and caused a loss of upwards of $500,000.

The fire started, presumably, in a light wooden cupboard built against the furnace and using one wall of the furnace as a cupboard wall; in this "cubby-hole" were kept janitor's supplies, in this case consisting of the usual accumulaton of dust cloths, etc., a mattress, shelving and a large wooden box. It is supposed that the heat of the furnace thrown into this badly ventilated structure caused spontaneous combustion and the fire quickly caught the flimsy walls. The fire was communicated from floor to floor through an air space created by the reduction in size at each floor, of the wooden posts supporting the beams carrying the floors. The posts were placed one upon the other, the beams being carried on a metal bracket; the reduction in size of the posts caused an air space of from one-quarter of an inch to half an inch around the posts at each floor and it was by the draft caused by this small opening that the fire was carried.

Here is a case of a first class fire risk being practically totally destroyed by a fire which could have easily been prevented by the construction of a substantial, well-lighted and ventilated janitor's cupboard and the spread of the fire could have been stopped by a few feet of ornamental moulding around the base of the posts at each floor.

(Courtesy Western Canada Insurance Club)

Suggests Fire Insurance Agents Sell Extinguishers for Homes

One Way of Reducing Extensive Dwelling House Losses That Now Bulk so Large in Canada's Yearly Fire Record

By J. GROVE SMITH,
Dominion Fire Commissioner at anuual meeting of Fire Prevention Association.

IN CANADA there are approximately 845,300 dwellings in urban districts and 924,541 dwellings in rural districts. The number of fires in urban districts in dwellings was 14.9 per 1,000 dwellings in 1924, and in rural districts 6.7 per 1,000 dwellings. The amount of loss in the urban districts averaged $453 per fire, and in the rural districts $1,678 per fire. These residential fires, both in urban districts and in rural districts, constitute one of the most important sources of loss we have in Canada at the present time.

In urban protected districts, that is cities and towns exceeding 5,000 inhabitants, the dwelling ratio of the insurance companies over the last three years was, roughly, 44.2 per cent. In the urban districts that are not protected the loss ratio was 75.4 per cent. In the rural districts, including farm dwellings, farm barns and outbuildings, the loss ratio of the insurance companies was 105.25 per cent. If you add to that the average expense ratio of 37.9 per cent., you will find that for every $100 taken in as premiums from dwellings in urban communities, protected, the insurance companies paid out $82.10. For every $100 taken in as premiums on dwellings in urban districts, unprotected, the amount paid out by the insurance companies was $113.03. When you come to rural communities that are not protected, including all farm property, barns and outbuildings, for every $100 taken in by the insurance companies as premiums on that class of risk, the amount paid out was $163.40. You can see that that class of business is not profitable.

Carelessness Chief Cause

The question then arises: How can the loss be reduced? Of course, it largly is due to carelessness on the part of the property owners; but there is something that is peculiar to practically all dwelling losses. While in factories and mercantile establishments, something like 63 per cent. of the losses occur when the property owner or occupier is not present, in the case of dwellings 94 per cent. of the fires occur when the occupants are present. These fires are caused by some little negligence or carelessness on the part of the occupant. and could readily be curbed and controlled if the occupant of the premises at the time of the fire was sufficiently cool and had ready at hand something with which to deal with the emergency. Take fires arising, we will say from some common cause like misuse or negligence in handling coal oil and coal oil stoves: There are numerous cases every year in farming or rural communities where a woman attempts to recharge a coal oil stove, at the time it is lighted, and a small fire is caused. During the past few months, quite a number of people, who have had fires in rural communities around Ottawa, have come to see me and I have asked them: "What did you do at the time of the fire?" They said: "As soon as the fire started, we ran outside." Probably the woman was alone in the house with three or four children, and what she did was to get them and herself outside as quickly as possible. I then asked: "What was the first thought that occurred to you?" "If I had had a pail of water, I could have put it out." If she had a pail, perhaps she hadn't water handy, because the only source of water is usually a pump or well away in the backyard. There was no means of getting anything to control the fire.

What Can be Done?

Can we suggest something to these people that will help them in these emergencies that arise from time to time? Roughly, 64 per cent. of all fires occur in dwellings. There is a need and that need can be fully met, I believe, by the installation of extinguisher equipment of a portable type in farms and dwellings. The point is: How are we to get protective devices there? Who is to do it? I had a conference with the manufacturer of a certain type of apparatus. I pointed out the need upon which everybody seems agreed. I said: "Why cannot you go out and sell your extinguishers to these people?" They said: "It cannot be done. It would cost too much." It is the cost of distribution that is the trouble so far as the manufacturers are concerned.

The thought occurred to me: Why cannot the insurance agents who are out through the country inspecting risks, getting people to insure their property, undertake the distribution of fire extinguishers? Let me be concrete in the matter. In the county of Carleton we have a population of about 25,900; we have 4,700 homes outside of municipal fire protection. Those homes all have a need for something to extinguish fires. The insurance on dwellings throughout the county is written by about 210 agents, who largely centre in the city of Ottawa. I have taken up the matter with a number of these agents and am told that they cannot give any specific assistance. They have never inspected the risks and know very little about them.

The average rate is in the neighborhood of $1.50 for three years. The farmer comes to Ottawa market on Saturday and he might possibly place his insurance then. That is about the only point of contact with the agent. In the case of mortgages, the insurance is placed through a lawyer or the loan company. But the fact is that the agents do not know the property and never get into close contact with it. It would not be good business for the agent to do it, because there are too many agents carrying the rural risk. The actual commission obtained in Carleton county on farm properties and rural dwellings is in the neighborhood of $26,000 a year.

Fewer Agents Might Help

It is not feasible for anyone of 210 to undertake an inspection system. Supposing the agents were limited to a very much less number, the thing might be possible. I will put it in this way: We have in Carleton county seven or eight assessors who, for taxation purposes, assess every property in the county between May and November of each year. They make an inspection of every property and get miscellaneous information from the owner. If the insurance business could be worked along similar lines, there would be a great advantage. It would be possible for agents to inspect every property and advise the property owner. I believe they could make considerable money over and above the commission they get for the insurance if they would only try to secure the installation of some kind of portable fire extinguisher in these rural communities. Generally speaking, a commission is paid of four to six dollars on a chemical extinguisher. The agent makes the biggest proportion of the sales profit, far more than the manufacturer does. Is it possible to establish some kind of a system in Canada by which rural properties can be inspected, and by which pressure can be brought to bear upon the owners to instal some kind of fire extinguisher?

TRUCKS FOR SMALL PLACES

It would be a good idea in these days of motor-driven fire apparatus for a village or for a number of farmers residing in a district to club together and buy a combination truck. The cost would not be great, the upkeep trifling, and the protection afforded can be readily seen and would warrant the investment.

The apparatus could be centrally located, and on call by telephone could be rushed to the scene of a fire at a moment's notice.

The equipment on the truck should consist of two chemical tanks each of about 25 gallons capacity, so that when one tank was emptied another would be ready for action and the emptied tank could be immediately refilled. A pump with a suction pipe could be used for pumping water from a well, pond or creek in case the chemicals were not enough to extinguish the blaze.

NORWICH UNION
FIRE INSURANCE SOCIETY LIMITED
NORWICH, ENGLAND

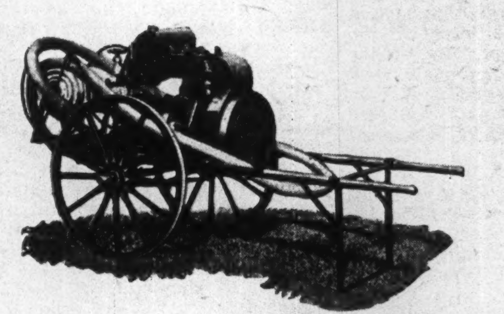
Fire Insurance
Accident and Sickness
Employers' Liability
Plate Glass
Automobile Insurance
Burglary
Guarantee

Head Office for Canada:
Norwich Union Building
12 Wellington Street East,
Toronto

ORMSBY
FIRE DOORS
Ormsby Rolling Steel Doors
Tin Clad Doors & Kalamein Doors
The A. B. Ormsby Co., Limited
148-150 Van Horne Street, Toronto
Associated with
The Metal Shingle & Siding Co. Ltd.
Preston and Montreal

FIREMAN'S FUND INSURANCE CO.
Tried and Safe
Established 1863, Assets exceed 25,000,000
Geo. McMurrich Sons, Limited
General Agents
W. W. PERKINS,
Special Agent
22 Toronto St. Toronto

"Lorne" Fire Apparatus



The Lorne "Special" Fire Engine for Villages, etc.

The "Lorne" Fire Apparatus has been found by many towns and villages to be one of the best as proved by experience. They are giving complete satisfaction in many communities, being particularly adapted for the needs of smaller places.

Simple to Operate
Durable and Economical

They are easily operated, of rugged and simple construction, and well designed. They will control a large fire and will take water from any well, cistern, or convenient creek.

We have a complete line from the small village outfit to the city outfit at very reasonable prices.

We have a special proposition for the villages, knowing their special difficulties and problems. We have made it unnecessary for any village to be without "Lorne" Fire Protection at low cost. The first small fire usually costs more than the price of several outfits.

Be Prepared
to stop your share of the terrible waste by fire. Why take further chances? Prevention is the true economy. Write us to-day for full particulars. Lorne Fire Engines have been in use over twelve years, giving excellent and effective service.

Lorne Tractors Limited
Manufacturers of Lorne Fire Apparatus
Dept. P. Tillsonburg, Ontario, Canada

Protection of Large Industrial Plants

How the C.P.R. Organizes Its Big Railway Shops Throughout Canada to Prevent Danger From Fire—Paid Fire Brigade on the Job at Angus Shops—Fire Prevention and Plant Protection Reduced to a Science.

THE importance of having at all times and wherever there is a fire hazard adequate fire protection and the means of combating incipient blazes is fully realized by the railway companies, particularly as they, to a very large extent, carry their own insurance against fire losses. In many of the larger shops such as the Angus shops in Montreal a regular paid fire brigade is kept permanently on the plant, and in all other places where buildings and equipment are at all liable to danger from the devastating element, volunteer brigades are properly organized.

The organization and work of these volunteer brigades as explained to The Financial Post by H. C. Grout, general superintendent of the Canadian Pacific Railway, might well be noted by the operators of factories and plants where there is the remotest possibility of lives and property being destroyed. This railway company has reduced the matter to standards and more or less to a science. In order to secure in some degree uniformity in practise and methods at various points, it is so arranged that fire brigade drills of thirty minutes duration are held every fortnight wherever a volunteer fire brigade is organized, unless under some exceptional circumstances it is thought advisable to make other arrangements. During each drill it is definitely ascertained that all fire fighting equipment is in its proper place and in proper working condition and when conditions permit an actual test with water is made at least once a month. Officers in all cases appreciate their responsibility for the proper supervision and checking of fire fighting equipment and keep closely in touch with and encourage the work of the volunteer fire brigades. As nearly as possible there is a definitely set time for the drills and local officers participate in them at least to the extent of showing their personal interest, and do it in such a manner as to have the drills regarded seriously in the interests not only of the company but of the employees themselves.

How Chief is Chosen

Mr. Grout stated that, so far as the Canadian Pacific is concerned, where the brigade consists of volunteers, the chief is one whose duties ensure his presence at the plant the greater part of the time and one who has a thorough knowledge of the plant and equipment. He is mentally and physically fitted by experience and study for the work and is one whose position commands the respect of the men under him and gives reasonable assurance of official recognition for meritorious service.

The assistant chief is qualified to perform the duties of the chief in the absence of that officer and perform such other fire service as the chief may direct. Captains of companies are men with mechanical knowledge, either shop foremen or men who are regularly employed as mechanics and preferably those accustomed to the control of men. Lieutenants are qualified to take up the duties of either chief or assistant chief or captain and are chosen from among the rank and file. It is understood that the senior fireman in any one company, on receiving a fire alarm, immediately assumes full charge of operations until the arrival of a superior officer.

Each company consists of at least fifteen men including captain and lieutenant. Where there are no regularly paid men to inspect fire appliances, equipment, etc., arrangements are made that each man of the company be given sufficient time during the month to inspect all fire equipment. possible fire hazards, location of fire alarms and contents of buildings, etc. On such occasions a written report of conditions found is submitted to the company captain who in turn forwards it to his superior officers. All drills are carried out in as near a practical way as possible.

The Standard Equipment Used

Each company is equipped with a standard mill-yard hose reel with 300 feet of 2½ inch rubber-lined hose with standard couplings, and care is taken to see that couplings and hydrant connections are standard with those of the city fire department which may be called in to assist at a plant fire. Each reel is equipped with a suitable 1½ inch hemp rope with spring hooks and a sufficient number of handle loops. Each member of each company is supplied with suitable equipment such as boots, coats, helmets and hose keys and where men are liable to be called into the plant while off duty they are supplied with badges which admit them into the works when responding to a fire call.

Where the size of the plant warrants it, a suitable air or steam whistle or an electrical siren is installed. If the plant is equipped with a local fire alarm system it is registered in the power house or machine shop and the number of the box registering is designated by the number of blasts on the whistle sounded by the engineer. Where the plant is of sufficient size it is divided into two or more districts, say east and west, and on the alarm being given for the east the fire company on the east district immediately responds direct to the scene of the fire while the west company responds to their own station ready to get into action upon the second alarm from the east. This prevents overcrowding of volunteer firemen at a fire which, more often than not, can be extinguished with a few pails of water. When the second company is not needed the captain is immediately notified, in which case he dismisses his men and submits a report to the fire chief giving the names of those who attended and also names of absentees.

Personnel Very Important

"Efficiency in a fire brigade," said Mr. Grout, "depends upon its personnel, the equipment and the frequency and character of its fire drills. Fire drills should have two main objects. Promptness in reaching the point of alarm by designated routes, and practise in handling of the fire apparatus should be thorough in every respect and closely approximate actual fire conditions. It should embrace the making of hose connections with hydrants, unreeling and stretching hose without kinks, breaking and making couplings, attaching play pipes, carrying hose up ladders, over roofs and through the interior of buildings, reaching inaccessible and out of the way places, including basements, attics and all concealed wall and floor spaces.

"The drills should cover all buildings and departments in order that the men may become familiar with their interior arrangements. It is important that the men should become practised in holding the play pipes and moving and carrying the hose lines while under pressure. As a general rule, water should be turned on for all practise work except during freeze-up weather, and at times when conditions are favorable, a sufficient number of hose lines should be stretched to test the maximum working capacity of the water distribution.

"This is done at all our plants, but we find that the best way to fight the fire hazard is to keep the premises clean and to see that the property is properly inspected to this end periodically."

Leniency of Courts to Those Who Have Fires Does Not Help to Reduce Losses

By T. L. MORRISEY,
Chief Agent in Canada, Union Assurance Society.

ABOUT twenty odd years ago there appeared in the Bankers' Magazine an article entitled "Fire Waste, Fire Protection and Fire Insurance," in which the writer endeavored to arouse public interest in the fearful drain that was even then taking place on the resources of Canada through the destruction of property by fire.

The loss was only then estimated to have assumed the modest proportion of some ten or twelve millions of dollars, but evidently the writer of that article considered it far greater than need be, or would be if the people of Canada realized that they were paying the piper.

It was suggested that if instead of innumerable individual fires throughout the country one huge bonfire of ten or twelve millions of bushels of wheat were made at Fort William, possibly the people of Canada would recognize the folly of it. He pointed out that if only half the waste were saved it would go a long way towards paying the interest on the cost of the then projected transcontinetnal railway, though in this his estimate was unfortunately wide of the mark.

Waste Goes on Apace

Since that time many more striking examples have been given. It has been calculated to a nicety how many dollars' worth of property go up in smoke with every tick of the clock; how long a ribbon of fire waste would make if converted into dollar bills end to end. All of which as mathematical gymnastics is most interesting—but the waste goes on apace.

It has now grown to upwards of fifty millions a year, and what are we doing about it? Still writing articles. One of the most recent graphically described the close relation between hard times and the insurance loss ratio. That means, if it means anything, that the need for ready cash on the part of policyholders has a direct bearing on the rate of burning. If that be so, is it not about time the methods of conducting the insurance business received attention?

How does it happen that insurance companies accept the stigma uncomplainingly—for stigma it can only be considered—of being helpless in the face of such a situation? Possibly the answer is to be found in the old adage: "Familiarity breeds contempt"; otherwise how can it be explained why an underwriter in entering into a contract lays himself wide open in a manner which if adopted by a plain, every-day business man would render that business man liable to be looked upon as a fit subject for an insane asylum?

Time was when a man to get a fire insurance policy had to prove he was worthy of it. He had to complete an application carefully drawn to bring out the salient points of the risk offered; sign it, and that signed application formed the basis of the contract between the parties. If he misrepresented any material fact, the insurance was no good. Not so to-day. The agents are provided with policy forms and standard printed wordings to fit any risk, and the policy is knocked out while you wait. And that's all there is to it. No application, no representations—in writing. And whatever there may have been verbally availeth little. *Verba volunt remarest scripta.*

"Don't Sign an Application"

No better evidence of the value of the written application in defeating a fraudulent claim could be found than the warning given in the columns of a widely-read weekly. Don't sign an application. That column was edited by a professional claim maker and he ought to know.

On the other hand, no better evidence of the absurdity of issuing a policy without as much as the scratch of a pen by the assured can be adduced than the practice of an up-to-the-minute business concern, which, before entrusting its goods to an agent insists upon a statement of his affairs, including an inventory, not merely upon the opening of the account, but annually. But an insurance company will issue to the same business concern its policy calling for the payment of thousands of dollars in the event of the happening of a certain contingency, and asks for no statement. Perhaps that explains in a measure why the insurance loss curve follows so closely the business failure curve. It is at least suggestive.

And what is the attitude of the public towards this important question? So far as can be judged by the acts of those who are elected to make our laws, it would appear that they consider it perfectly all right. The fire insurance statutory conditions of one province go so far as to provide that if the application be made out by the company's agent it shall be deemed to be the act of the company and not of the applicant. That is to say, if an applicant, in order to obtain this valuable scrap of paper, misrepresents a fact and the agent fills up the application form, it shall be deemed the company lied and not the applicant.

Does Not Reduce Losses

It is submitted that such a provision in the law does not make for a lessening of the fire waste! No doubt the very estimable gentlemen who introduced that provision into the conditions were all property owners, though they did not realize they were making it easier for the crook to get insurance money to which they were contributors as premium payers. They must have thought the companies were lying awake at night thinking up how they could trap the unfortunate property owner into subscribing to a misstatement, so that they might avoid payment after a loss; while everyone familiar with the subject knows perfectly well that the great danger to be apprehended is the unwillingness of the companies to get a reputation for being litigious, which is more likely to lead them to paying claims which in the public interest should be resisted.

Lean Towards Assured

The tendency of our courts to lean towards the side of the assured is well recognized. Let one illustration suffice. A poor widow insured her furniture and small stock of groceries. A fire occurred upstairs, and some water came through damaging the insured property. The company's inspector attended, with the agent, to adjust the loss. The assured produced the articles which she claimed were damaged and fixed the amount of damage. When she learned the total, $35, she said, "no"; she wanted $50. The adjuster was willing to admit the claim if she would show how made up. He left, but, on getting back to his office, he received a 'phone from the agent that assured had agreed to accept $35. A cheque for that amount was immediately issued, but in the meantime a "professional claim-maker" had appeared upon the scene, and upon his advice assured refused to accept settlement. A scientific claim was then made up, aggregating $137.32, which was declared to in due form, and the scientist waited for thirty days to elapse after filing "proof of loss," when formal demand for payment was made. The company then had to elect whether it should submit to this flagrant steal or resist. Believing it was an ideal case, particularly as the amount involved was so insignificant, which, it was thought, would make it clear that the motive was not to save the difference, but rather, in the public interest, to show up the methods of these adjusters for the assured, who, remunerated by a commission on the amount obtained, naturally have a direct interest in making that amount as large as possible, the company in this instance paid the maximum amount originally claimed by the assured into court and entered a defence.

Judgment for the Plaintiff

When the trial opened, the defendant heard with dismay the views of the honorable court: "This was a case that never should have been brought, but it should have been settled out of court; insurance companies employed very smart men to represent them, and doubtless something between the two figures was nearer right." The trial proceeded; the adjuster for the assured swore to one figure, the adjuster for the company to another: Result—judgment for the plaintiff.

That sort of thing does not make for a lessening of the fire waste!

The hopes of those who have been earnestly striving to bring about an improvement rose when, a few years ago, the Canadian Bar Association suddenly evinced an interest and prepared a Model Fire Insurance Policy Act. It was felt that the subject being taken up by such a competent and influential body, victory was assured. It was soon discovered that however profound the Canadian Bar Association's knowledge of the law may have been, what they didn't know about insurance would fill a very large volume. The draft "Model Act" was marked by the same old time worn solicitude on behalf of the unfortunate member of the community who meets with a fire loss and altogether too little consideration given to the interest of the still more unfortunate and greater, numerically, members of the community who have to pay these losses through the medium of insurance companies.

That is something that would not have made for a lessening of fire waste!

What is needed is a change in the mental attitude of those in high places.

Why the Towers on Fire Halls?

Why are fire halls surmounted with towers?

They are used to hang up hose to dry. Hose comes in lengths of 55 feet.

CLEAN UP YOUR TOWN

Let every citizen join in the work of fire prevention. Make your town as clean and attractive, as safe from fire, and as free from disease as any city of the province. The success of the "clean-up" depends upon everyone taking part. Many disastrous fires are caused by the accumulation of rubbish, papers, boxes, etc.—about houses, in attics, cellars and yards. This is a business proposition as well as a matter of civic pride and health. A thorough observance of this "clean-up" may prevent a conflagration that would wipe out a good part of the town. Such conflagrations are frequently occurring. They are often caused by just such conditions as this "clean-up" is intended to remove.

Let everybody get busy and help to remove the possible cause of such a disaster in their home town.

"To Build up a Nation Support Its Institutions."

The Why and Wherefore in Choosing an Insurance Company

Insurance in the aggregate runs into very large figures, but, as distinguished from most commercial undertakings, does not create. The primary object is to distribute, lightly, losses which falling upon individual shoulders would hurt, and it is a proprietary business carried on with private capital for profit. By all rules governing sound finance the underwriting surplus should remain in the Dominion.

Insure with a Home Office investing its funds in Canada, guaranteeing service and security throughout the whole Dominion, and with responsible representatives in almost every nook and corner.

The Casualty Company of Canada
HEAD OFFICE - TORONTO
C. S. Blackwell, President A. W. Eastmure, Managing Director
FIRE PLATE GLASS **INSURANCE** BURGLARY AUTOMOBILE

A Fire Pump 97 Per Cent. Efficient for Pulp and Paper Mills, Lumber Yards, Mining Camps, Municipalities

(Approved by the Fire Underwriters)
Design Copyrighted

Recent deliveries to pulp and paper mills:
St. Regis Lumber Co.
Atkinson Lumber Co.
St. George Pulp & Paper Co.
High Falls Pulp & Paper Co.

Approved by
Quebec Forestry Dept.
Quebec Govt.
Ontario Forestry Dept.

A complete list of users on demand.

Manufactured in 300, 400, 500, 600 Imperial gallons per minute sizes.

28 years of practical fire fighting experience behind every pump.
Replacement parts always in stock.

(Send for vitally interesting new folder)

TREMBLAY

J. TREMBLAY,
Managing Director,
Ex-Chief Montreal Fire Dept.

Tremblay Fire Engine Company Ltd.
26 Victoria Square, Montreal

DENNIS-LUPTON
Made in Canada

Announcing

The Extension of Our Line Through the Acquisition of Complete Canadian Rights in New All-steel Equipment

IN VIEW of the constantly increasing demand for all-steel products of every kind, we have made arrangements to extend our field to embrace every item of such manufacture, and announce that we have secured the sole manufacturing and selling rights in Canada for the well-known Lupton line, produced in the United States by David Lupton's Sons Co., Philadelphia.

With our own nationally known Dennisteel line, which has been making sales records in the last year or two, this Company now has the largest, best known and most complete range of all-steel equipment on the continent.

All-steel Automotive, Store and Factory Equipment

Automotive Storage Systems
Heavy Storage Shelving
Display Counters
Bins
Racks
Display Shelving
Cabinets

Complete Systems for the Storage of Automotive Parts and Accessories

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LONDON
CANADA

Toronto Sales Office: H. A. J. Allington, 43 Adelaide W.
Branches from Coast to Coast

DENNISTEEL
Made in Canada

All that was left of Haileybury after the fire of 1922

There are hundreds of towns in Canada which would look like this if fire ever got a start. With inadequate fire fighting equipment, low water pressure and wooden buildings, they are fuel for the fire demon.

Better Fire Insurance Agency System Would Lower Fire Loss

Speakers at Fire Prevention Meeting Made Case for More Careful Selection and Training of Men to Sell Fire Insurance to the Public — Cutting High Loss Among Foreigners

Is the present system of writing fire insurance business in Canada a menace to fire prevention work? Are our high fire losses due in any measure to careless selection of risks by insurance companies and their agents?

These questions were frankly discussed at the last annual meeting of the Dominion Fire Prevention Association when some interesting views were expressed, not all in support of the question nor all opposed to it. The discussion proved that there is much room for study of the relation of careful selection of fire risks, and the fire loss of the nation.

Introducing the discussion, J. Grove Smith, Dominion Fire Commissioner, stated: "There are those who hold that the insurance agency system as constituted at the present time is not a fruitful means of forwarding the fire prevention movement, owing to the fact that a large number of insurance agents in Canada are not qualified insurance men. They are said to write risks for the amount of the commission there is in it for themselves, and the result is that considerable property is not carefully insured."

Another speaker, R. J. Wickham, declared that the fire insurance agent could become a more effective instrument in suppressing fires. He felt that the agency system, as constituted at present, is loaded down with incompetent men without any training or efficiency in the business of fire insurance. He felt that if we were to eliminate the incompetents it would give an open field to the competent trained agent. Competition of a high standard would follow and result in educative work in fire prevention and in protection to the public.

He suggested the ideal type of insurance agent:

"He is one who maintains an office with proper records, holds himself out in good faith as an insurance agent, understands insurance practice and statutory conditions, is conversant with rates and wordings, is familiar with building construction in relation to fire hazards and understands protection and fire prevention."

Mr. Wickham proceeded:

"That is my ideal of an insurance agent to give service to the public. An analysis of 944 names of agents who have received an agency license in the city of Montreal alone will show you the type of man that is receiving a license to-day, the type that is sent out with the stamp of approval to receive insurance, and will show you that those that companies call agents are seldom true agents, but really single case agents, and side-liners. The classification is as follows:

Actual insurance agents	342
Office clerks (not insurance offices)	95
Side line men, who have no office	236
Real estate agents	40
Estate owners	1
Gasoline companies	2
Notaries	10
Trust companies	18
Contractors	8
Civic employees	10
Manufacturers	18
Merchants	36
Stock brokers	9
Policemen	7
Lawyer	1
Druggists	2
Auto dealers	3
Factory foreman	1
Soldiers	2
Engineer	1
Butchers	3
Conductor	1
Transportation companies	2
Cigar makers	1
Machinists	8
Printers	2
Commissioner	1
Grocers	7
Bank managers	9
Travelers	17
Doctors	3
Glass dealers	2
Tobacconist	1
Editors	4
Laborers	7
Credit companies	2
Brick Layers	1
Student	1
Carpenter	1
Inventor	1
Mercantile agency	1
Claims agents	7
Collector	1
Florist	1
Marble Worker	1
Carters	3
Hotel Keeper	1
Stenographers	2
School principal	1
Railway companies	2
Draper	1
Boiler maker	1
Red Cross worker	1
Tanner	1
Dyer	1
Baker	1
Laundryman	1
Funeral Directors	2
Carriage Maker	1
Musician	1
Advertising agent	1
Apiarist	1
	944

I leave it to any man to judge what fire prevention knowledge would be reflected in the insurance business done by the great majority of these men whose names I have read to you. You know there is none. It is purely the control of insurance premiums, and that satisfies the insurance company. It is our contention, and in saying this I am speaking for the Canadian Federation of Insurance Agents, that until the Fire Prevention Association goes into the question of what is a competent insurance agent and who should receive appointment for the business of insurance, until we arrive at some standard before a license shall be issued, one of the most important points in connection with fire prevention has been neglected."

Another speaker blamed fire insurance agents for much of the heavy loss among foreigners. He said: To the foreigner, fire insurance is an unknown quantity until he comes to Canada or the United States, but within twenty-four hours of his arrival in this country some ingenious agent has persuaded him that in this country fire insurance is a very desirable and necessary thing to have. He is quickly seized of the advantages of having fire protection. He has not imbibed the habits of our people. He has the traditions of his own race, largely careless, and to him it is a fortunate thing when a fire happens, to benefit by the insurance protection that he has been so kindly allowed to get by the courtesy of some insurance agent who is getting 25 or 30 per cent. commission on his premium."

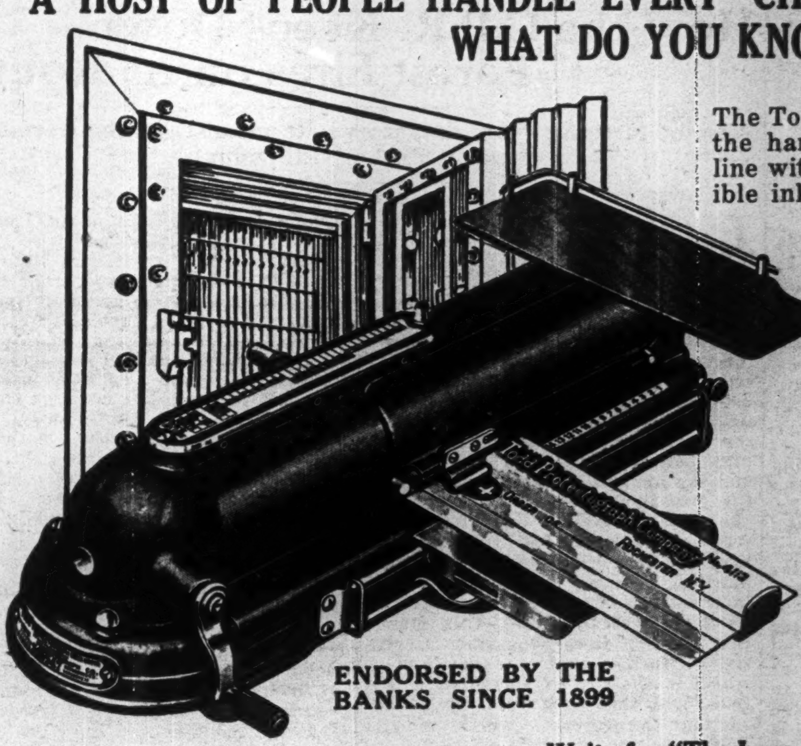
The conflagration at Strathmore, Alberta, was caused because a janitor forgot to clean a coal oil stove.

Incorporated in the Province of Quebec
THE CANADIAN UNION INSURANCE COMPANY
Fire and Inland Marine Insurance
Fire Insurance at Non Tariff Rates
Imperial Bank Chambers, Montreal
J. Thibaudeau, Manager

London Guarantee and Accident Company LIMITED
CHIEF OFFICE, LONDON, ENGLAND
FIRE-CASUALTY GUARANTEE
HEAD OFFICE FOR CANADA
TORONTO
GEORGE WEIR, Manager for Canada
T. J. IRVINE, Fire Manager

British Colonial Fire Insurance Company
Head Office: 90 St. James St., Montreal
THEODORE MEUNIER, *Pres. & Gen. Manager*
B. A. CHARLEBOIS, *Secretary*
Fire Association OF PHILADELPHIA
Head Office for Canada:
90 St. James Street, Montreal
THEODORE MEUNIER, *Manager*
Fire
Explosion
Windstorm
Sprinkler Leakage
AGENTS WANTED
COMBINED TOTAL ASSETS - $21,328,848
COMBINED TOTAL SURPLUS - 10,981,314

$200,000,000 LOST THROUGH FORGERY ANNUALLY
A HOST OF PEOPLE HANDLE EVERY CHECK YOU WRITE
WHAT DO YOU KNOW ABOUT THEM?



The Todd Protectograph replaces the handwritten, unsafe amount line with an amount line in indelible ink of two colors, shredded through and through the paper. It gives positive protection against "pen changes," the clever method of raising checks that does not need erasures. Erasures become impossible because of the shredding in the paper and the indelible ink forced into it. And the Protectograph operates so easily and quickly that it is welcomed by the people who use it.
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Write for "The Lure of the Check"
This booklet gives the inside story of the check sharper.
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THE TODD PROTECTOGRAPH SALES CO.
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Return of the Chartered Banks of the Dominion of Canada, July 31, 1925

Made to the Minister of Finance in conformity with Section 112 of the Bank Act, Chapter 32 of the Statutes of 1923

LIABILITIES

NAME OF BANK	Notes in Circulation	Due to Dominion Government	Advances under Finance Act	Due to Provincial Gov'nm'ts	Demand Deposits in Canada	Notice Deposits in Canada	Deposits elsewhere	Bal. due to other Banks in Canada	Due to Banks in U.K.	Due to Banks elsewhere
	$	$	$	$	$	$	$	$	$	$
Montreal	41,064,298	26,334,798	....	4,739,466	120,790,811	360,454,567	69,198,116	2,214,853	730,637	3,713,400
Nova Scotia	13,071,612	1,005,967	....	2,028,888	28,296,765	112,503,468	33,650,841	1,457,037	64,141	964,332
Toronto	6,558,266	146,414	....	294,577	27,930,673	50,800,944	....	960,371	359,428	1,031,011
Provinciale	3,456,463	114,104	....	213,592	4,589,360	28,073,807	....	....	....	7,725
Union	7,129,355	281,583	3,250,000	3,947,719	27,402,291	50,972,678	918,626	107,539	5,668,185	466,759
Commerce	24,309,855	6,303,613	....	5,861,078	100,502,840	206,884,278	54,866,213	521,844	1,178,925	11,110,006
Royal	28,243,645	3,488,269	12,000,000	1,796,718	84,096,503	202,007,919	191,573,089	1,111,779	746,476	14,361,603
Dominion	6,642,197	372,125	2,500,000	408,392	25,243,839	57,466,051	1,660,628	1,217,682	189,673	959,465
Standard	5,783,645	161,962	2,500,000	270,835	16,584,788	46,226,128	....	1,075,692	436,590	826,523
Nationale	12,083,234	354,496	....	2,213,055	17,315,389	77,186,519	2,401,852	2,687	206,149	422,646
Imperial	8,876,054	915,077	....	3,259,344	26,404,431	60,475,146	....	716,954	15,545	43,421
Weyburn Security	491,992	48,595	....	17,198	1,660,228	1,953,709	....	....	....	18,523
Total	157,710,616	39,527,003	20,250,000	25,050,000	480,817,918	1,255,005,214	354,269,365	9,392,438	9,595,749	33 925,414

NAME OF BANK	Bills Payable	Letters of Credit	Other Liabilities	Dividends Declared & unpaid	Reserve Fund	Capital paid up	Total Liabilities	Capital authorized	% last dividend.	Loans to Directors	Average gold and coin held	Average Dominion notes held	Greatest amount notes in circ.
	$	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	811,134	10,975,773	625,355	911,115	29,916,700	29,916,700	702,397,731	31,175,000	12	2,235,417	15,637,763	51,607,964	44,457,784
Nova Scotia	314,693	4,953,865	25,511	13,228	19,500,000	10,000,000	227,850,354	15,000,000	16	1,305,435	9,354,955	7,791,982	13,799,023
Toronto	....	1,221,951	108,746	1,517	6,000,000	5,000,000	100,419,902	10,000,000	12	952,802	859,974	5,937,359	6,967,335
Provinciale	....	....	37,727	4,907	1,500,000	3,000,000	40,997,688	5,000,000	9	....	162,416	291,604	3,681,278
Union	....	606,328	1,730	5,575	1,750,000	8,000,000	110,508,372	15,000,000	8	901,502	1,107,814	4,379,767	7,798,825
Commerce	3,646,647	11,109,274	....	5,937	20,000,000	20,000,000	466,300,515	25,000,000	12	4,545,474	14,691,000	27,306,000	26,184,198
Royal	5,852,991	28,268,596	....	15,158	20,400,000	20,400,000	614,362,751	25,000,000	12	1,181,167	11,320,759	16,075,481	30,455,255
Dominion	255,948	2,786,823	468,549	2,717	7,000,000	6,000,000	113,174,093	10,000,000	12	673,551	2,120,000	4,013,000	7,283,549
Standard	....	445,632	208,904	145,661	2,900,000	4,823,400	82,389,763	5,000,000	12	582,499	849,644	3,122,385	6,074,915
Nationale	....	720,327	....	2,936	5,500,000	5,500,000	123,909,297	10,000,000	10	91,152	919,318	2,547,653	12,491,939
Imperial	....	428,232	....	210,565	7,500,000	7,000,000	115,844,772	10,000,000	12	188,670	1,194,951	6,722,478	10,003,569
Weyburn Security	....	....	57,661	400	225,000	524,560	4,997,870	1,000,000	5	102,794	20,676	53,894	495,277
Total	10,881,413	61,516,801	1,534,183	1,319,716	122,191,700	120,164,660	2,703,153,108	162,175,000	.....	12,760,463	58,239,270	129,849,567	169,692,947

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from banks in Canada	Due from banks elsewhere	Government securities	Canadian municipal British and foreign Securities	Railway and other bonds and stock	Call loans in Canada	Call loans elsewhere
	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	19,563,670	51,264,301	2,896,582	825,771	23,180,582	....	11,699,778	102,554,127	45,220,282	3,961,100	8,031,926	127,619,586
Nova Scotia	9,361,006	9,733,322	799,905	2,039,957	8,054,720	90	2,583,080	30,989,895	11,616,223	14,335,778	14,711,220	12,745,393
Toronto	452,472	6,167,789	367,570	137,593	4,874,467	1,053	3,347,181	18,341,234	6,812,561	3,061,799	8,776,834	....
Provinciale	177,115	291,117	525,540	57,582	1,679,648	2,523,064	297,910	5,340,249	1,281,861	1,869,551	6,953,426	....
Union	1,129,058	5,677,625	913,485	124,780	6,445,199	53,499	1,209,871	17,304,726	9,589,954	3,052,281	3,002,875	486,666
Commerce	10,385,073	22,286,314	1,586,720	1,647,253	17,443,401	2,460	16,182,925	58,734,454	27,447,672	9,179,478	28,726,393	23,163,263
Royal†	12,324,941	22,878,111	2,371,789	20,661,224	21,984,748	1,000	21,495,896	66,952,099	23,643,435	18,837,436	19,634,698	49,206,960
Dominion	2,149,764	4,592,376	769,395	142,247	4,191,241	1	1,544,592	15,614,204	5,982,905	[illegible],360,440	18,913,425	2,924,907
Standard	873,983	3,757,101	429,733	88,938	4,120,638	....	927,648	12,999,813	3,672,742	[illegible],310,748	7,516,357	....
Nationale§	972,920	2,794,023	1,155,375	249,857	3,507,332	441,634	954,168	20,527,320	10,133,793	[illegible],472,950	6,191,169	....
Imperial	1,122,076	7,466,445	852,976	306,985	6,962,952	809,474	1,454,148	14,852,181	5,735,949	74,576	5,255,082	6,500,000
Weyburn Security	22,829	54,807	24,170	3,130	19,903	704,635	40,091	451,390	9,314	209,342	....	....
Total	58,534,907	136,963,331	12,693,240	26,285,317	102,464,831	4,536,910	61,737,288	364,661,692	151,146,691	59,725,479	107,713,405	222,646,775

NAME OF BANK	Other current loans in Canada	Other current loans elsewhere	Loans to Municipalities and to provinces	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank premises	Letters of Credit	Deposit for note circulation	In central gold reserves **	Shares of and loans to controlled companies	Other assets	Total Assets
	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	208,109,310	26,666,878	23,930,525	2,853,237	930,441	1,163,084	12,400,000	10,975,773	1,282,241	16,000,000	1,486,457	762,654	703,378,315
Nova Scotia	70,692,641	16,277,703	5,886,418	539,179	89,580	93,759	7,754,682	4,953,865	466,703	5,000,000	....	140,967	228,866,096
Toronto	39,563,189	....	2,837,650	240,538	....	62,642	3,393,561	1,221,951	249,267	2,555,866	....	....	102,465,225
Provinciale	15,741,637	....	1,085,217	188,752	172,873	105,059	1,679,477	....	163,507	700,000	....	255,818	41,089,411
Union	50,007,503	983,732	3,463,553	952,379	567,985	424,787	2,123,732	606,328	420,000	....	2,149,300	63,577	110,752,904
Commerce	167,389,709	33,019,812	22,409,705	2,569,051	2,333,943	637,075	11,781,449	11,109,274	1,000,000	8,000,000	1,633,112	599,994	469,268,542
Royal†	134,769,002	136,431,661	9,158,669	2,105,132	1,848,290	500,012	13,754,580	28,268,596	1,020,000	10,000,000	359,601	531,106	618,738,994
Dominion	50,817,687	2,101,294	565,798	337,270	79,610	20,267	6,047,995	2,786,823	310,000	1,700,000	....	477,787	114,430,035
Standard	37,599,796	....	2,037,462	735,118	279,225	192,208	3,756,353	445,632	250,000	1,500,000	....	66,805	82,559,509
Nationale§	58,593,961	132,305	1,389,935	258,288	1,536,505	862,588	5,294,112	720,327	361,708	7,000,000	....	203,211	124,753,489
Imperial	45,585,600	3,404,624	5,506,571	355,622	637,499	396,384	5,020,640	428,232	320,622	3,504,466	....	548,554	117,101,669
Weyburn Security	2,383,770	....	93,577	117,942	175,421	84,630	234,163	....	26,731	100,000	....	79,232	4,835,085
Total	881,253,805	219,018,009	18,365,080	11,252,508	8,651,372	4,542,495	73,240,744	61,516,801	5,870,779	56,060,332	5,628,470	3,728,905	2,718,239,274

**Of this deposit, $10,510,333 is in gold coin; the balance is in Dominion notes.

*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris. As the entire capital stock of the Royal Bank of Canada (France) is owned by the Royal Bank of Canada, the assets and liabilities of the former are included in the above return. Pending compliance with legal requirements for the establishment of branches of The Royal Bank of Canada in the countries where the Bank of Central & South America, Inc., and its subsidiary companies carry on operations, the business of that bank, which has been purchased by The Royal Bank of Canada, is being continued, as formerly. As the entire capital stock of the Bank of Central & South America, Inc., is owned by The Royal Bank of Canada, the assets and liabilities of the former and its subsidiaries are included in the above return.—Footnote to Royal Bank return.

§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale are included in above return.—Footnote to Banque Canadienne Nationale return.

DEPARTMENT OF FINANCE, OTTAWA, SEPT. 9, 1925.

Roofing Materials Subjected to Open Flame in Montreal Laboratory Tests

Dominion Fire Prevention Association Studies Different Kinds of Shingles and Roll Roofing Offered in Canadian Market

AT THE 1921 annual meeting of Dominion Fire Prevention Association, a technical committee was appointed to carry out an exhaustive investigation into the relative fire resisting qualities of the roofing materials which are found on the Canadian market.

This committee was asked to classify roofing materials with respect to their fire-resisting qualities, and to undertake investigations along such collateral lines as might suggest themselves.

Two lines of attack on the problem were open: (1) To gather and collate all available information as to the behavior of roofing in actual fires, and (2) to adopt standard methods of making fire tests of roofing, establish and equip a laboratory, and proceed to subject samples of roofing to such tests.

Both methods were adopted by the committee and it submitted its conclusions on this point to a meeting of roofing manufacturers and others interested, held at McGill University in October, 1922. Makers of practically all types of roofing were represented at this assembly, which endorsed the committee's program.

Information on Roof Fires

The committee therefore prepared a questionnaire, asking for details of roof fires. This questionnaire has been circulated throughout the Dominion, with the co-operation of the department of insurance. Although the replies received as a result of this action have been numerous, only a small proportion of the total number of roof fires occurring has been reported. However, much interesting information has been disclosed.

Aside from the work regularly carried out by the Underwriters' Laboratories of Chicago, and an isolated test here and there, very little fire-testing of roofing appears to have been done. A careful and exended search of the periodical literature of the last twenty years, both in English and in foreign languages, reveals practically nothing. Considerable correspondence with interested parties led to about the same result. The committee was thus faced with the alternatives of either adopting the tests of the underwriters' laboratories, modified as might prove advisable to suit its special purposes, or of developing tests of its own. The former seemed the wiser course, and was adopted.

With this purpose in view, suitable premises were found in Montreal. In June, 1923, the fitting out of the laboratory was completed. In September of the same year, the testing of commercial samples was undertaken.

How Tests Carried Out

Tests are carried out in a specially constructed room which is walled in with tile and extends up through the roof. This acts as a large chimney, taking care of sparks, gases, and the artificial wind used in testing. The "wind" is created by a 48 in. electrically driven fan which forces the air through a large wind duct and into the test room. Suitable baffles in the wind duct insure a uniform velocity across its discharge end. A pilot tube and an inclined manometer tube are used to measure the wind velocities. The machine is capable of producing wind velocities from 6 to 20 miles per hour. Connected to the wind duct is a gas furnace which is used to control the temperature of the air, as it is thought that large differences in temperature may have some effect on the results of the tests.

Immediately in front of the discharge end of the wind duct is a steel stand which holds the roofing samples while undergoing test. This stand is provided with a large size gas burner which is connected to a pressure gauge to control the gas pressure. A pyrometer equipment and recording thermometers are provided for recording temperatures. A small gas furnace conveniently located in the test room is used for igniting brands. A section of the laboratory laid out as a work shop, is provided with a dry kiln for drying wood, work benches, carpenter and roofing tools and a small power saw. A photographic outfit and dark room complete the equipment.

As stated above, the method of testing adopted by the committee is patterned after that in use by the underwriters' laboratories of Chicago, with such alterations as have been considered necessary to give the particular information desired. It is the object of the committee to determine, as far as practicable, the relative fire resisting qualities of roofing materials.

Samples of roofing materials are laid on decks 3 ft. square. These decks are built of ⅞ in. tongue-and-grooved spruce, dressed on both sides, laid close, and nailed securely to two 2 in. by 3 in. studs. The lumber is specially selected, free from loose knots, worn holes, decay and other defects, and dried for a period of 72 hours at a temperature of 55 deg. Centigrade.

Before being covered with the roofing sample, shallow saw kerfs are cut in the upper surface of the deck boards. One strand of No. 20 cotton thread is placed in each kerf. These threads are secured to the deck at one end, and, when in position for testing, are weighted at the other. The burning of the threads causes the weights to fall, and this is taken as an indication that the deck boards have started to ignite.

Samples are prepared in the laboratory strictly in accordance with the specifications supplied by the manufacturer. In the case of all roofings which require skilled or semi-skilled labor in their application, manufacturers are required to apply the roofing themselves; they may apply any roofing to the test decks if thev desire. Generally, however, the material is applied by the laboratory staff.

> **Testing Roofing**
>
> Extensive tests of the fire-resisting qualities of different kinds of roofing materials have been made in the Montreal laboratory of the Dominion Fire Prevention Association. No report has yet been issued by the laboratory on the results of its work, but a summary of the work appears for the first time in this article.
>
> Later an exhaustive report will issue from the laboratory.

Sample decks are placed in the testing stand before the wind duct at a slope of 30 degrees to the horizontal and subjected to a burning brand test and a direct flame test.

Different Types of Brand

In the burning brand test, four styles of brands are used: A, A-1, B and C. A, the smallest, is made of ⅜ in. square basswood sticks 3½ in. long. C, the largest, is made of 1⅛ in. maple sticks 12 in. long. A-1 and B are intermediate in size and are part basswood and part maple. Great care is taken in the preparation of brands; all wood is cut exactly to size and carefully dried.

Basswood and maple were chosen on account of their uniformity of texture, and the fact that once properly ignited they will burn out with little ash under the action of wind.

The brands are ignited in the brand furnace until they are completely covered with red coals and enveloped in flame. After ignition, the brand is placed on the roofing deck, the "artificial wind" is turned on, and the brand is allowed to burn itself out. Different brands are used on the same sample until one is found that will cause it to fail by the deck boards taking fire.

A Flame Test as Well

In the flame test, the roofing is subjected to the flame from a gas burner until it fails by flame appearing on the under side of the deck, or until such time as it is evident that this failure is not going to take place. The gas burner adopted for this test is of a type commonly used in large gas ranges, specially drilled to give the type of flame desired. The gas pressure is kept constant during the test, giving the burner a consumption of about 135 cu. ft. of gas per hour.

In both the brand and flame tests the appearance of flame on the under side of the deck terminates the test and all fire is put out at once. Experience has shown that when such failure takes place, it is only a matter of minutes until the whole deck is enveloped in flames.

Some 80 samples of roofing materials have been tested so far. These samples may be classified according to the materials used in their manufacture, as follows:

Wooden shingles.

Asphalt saturated rag-felt roll roofings.

Asphalt-saturated asbestos-felt roll roofings.

Asphalt-saturated rag-felt shingles.

Asphalt-saturated asbestos-felt shingles.

Asbestos-cement shingles.

Galvanized-iron shingles.

Corrugated-iron (sheets).

Asphalt asbestos "built up" roofing.

Wooden Shingles Ignite Readily

The results of the tests show that wooden shingles of either red or white cedar ignite readily under the action of the smallest brand (brand A). In the case of red cedar shingles, about 50 per cent. of the brands applied (all brand A) set fire to the deck boards, the remainder burning themselves out without doing serious damage. On the other hand, white cedar shingles took fire on all occasions. Under the action of flame both types produced numerous small burning particles.

Asphalt-saturated rag-felt roll roofing, except in all lighter weights, showed an increase in fire resisting ability over wooden shingles. The effect of Brand A on the lighter weights of this material was to completely consume the roofing in the immediate neighborhood of the brand, and to set fire to the surface of the roof deck. The fire usually burnt out of its own accord, but on several occasions appeared on the under side of the deck. The heavier weights withstood the action of brand A consistently. The practice of surfacing the better grades of this type of roofing with slate or other rock granules, slightly increases the fire resistance and reduces the liability of taking fire from flying particles from a burning roof.

Asphalt-saturated asbestos-felt roll roofing shows a marked increase in fire resisting ability over similar weights in rag felt. Extra-heavy brands of this material, built up of three or four plies of felt, prove highly resistant.

Asphalt-Felt Shingles

Asphalt-saturated rag-felt shingles would appear from the results of the tests to be proof against burning brands, and to have considerably more ability to withstand fire than the same materials used in single thickness, as in roll roofing. This resistance is due to the fact that the material covers the roofing boards in two or more thicknesses. In this respect, the style and dimensions of shingle, together with the manner of laying, have much influence on its ability to resist fire. One style of shingle, designed so that the greater part of the roof is covered with only one thickness of material, was found to have no more fire resisting ability than similar material in the roll.

Asphalt-saturated asbestos-felt shingles show an increase in fire resisting ability over similar materials in rag felt.

The asbestos cement shingles tested, both the American and French or hexagonal types, proved highly resistant to fire.

Galvanized-iron shingles would appear to be proof against small burning brands, but on account of the fact that the material is a good conductor of heat they do not successfully withstand severe exposure.

Asphalt asbestos "built up" roofing, which is intended for use on combustible roof decks, were found to have a high degree of fire resistance.

The roof of a building may be exposed to fire under many different conditions. To attempt to simulate in the laboratory all such conditions is a practical impossibility. In the present investigation certain conditions have been adopted and all materials subjected to the same tests. However, it is the intention of the committee, when time permits, to supplement the standard tests with others, which in its opinion, may prove of value in assisting it to come to logical conclusions.

Up to the present all testing has been done on new material, but it is the intention to extend the tests to include roofing which has been exposed to the action of the weather for some years. In this connection, roofing manufacturers, contractors, fire chiefs and others have been approached in an effort to secure samples of old roofing.

The committee appointed for the tests has the following members: Dean H. M. McKay, M.E.I.C., Mem. Am. Soc. C.E., chairman; R. De L. French, M.E.I.C., Mem. Am. Soc. C.E. and Dr. F. M. G. Johnson, F.I.C., F. R.S.C. All three members are attached to the Faculty of Applied Science of McGill University, Montreal, and are men of experience in experimental work.

How the C.P.R. Keeps Down Forest Fires on Its Route

Most of Fires Now Break Out as a Result of Criminal Carelessness on Part of Individuals

By E. W. EVANS.

IT IS almost beyond comprehension, the amount of forest products used by Canadian industries each day, and the amcunt of lumber used in construction and in the development of the country each year. Canada's prosperity, her whole future, is one with that of her forests.

Ontario alone gives employment to between 17,000 and 20,000 men in the bush; pulp and paper mills emplcy between 8,000 and 10,000 men, and the amount of capital invested in the two industries amounts tc well over $150,000,000. Yet, for every tree that is felled, for every log that helps to keep the wheels of industry moving, fcr every board that is used in construction, twelve are destroyed in the forest by fire. This means that forest fires consume twelve times the amount of the lumber, which is the life of Canadian industries, and that each year fire is depleting the fcrests which should hold back the moisture so as to ensure throughout the year sufficient for the life of the farm. Five hundred thousand acres of forest are burned over in Ontario each year. and the government cf this province alone is burdened with a forest fire protection organization which costs $3,000 a day.

Criminal Carelessness the Cause

Why is the country put to such a lcss?

Because there are no means of segregating the criminal fools and careless! Take the fire which two years ago took forty-four lives, rendered thousands homeless and destroyed property valued at eight million dcllars in the vicinity of Haileybury, the terrible fires in 1916 around Matheson, and, in 1911, around Cochrane. These, like the majority of other fires, were the result of criminal carelessness. Settlers allow their slash fires to grow beyond control, the spcrtsman builds his camp fire on mossy ground and forgets to extinguish it; a lighted cigarette or match is thrown away carelessly and originates a small blaze which may soon develop into a hclocaust beyond control of man.

About one-fifth of the freight revenue of the railways comes from the products of the forest, yet, two years ago, the railways were one of the chief causes of forest fires, and there are cfficial records of engines that started over twenty fires in four hours, or, in other words, a fire every twelve minutes of running time. It is estimated that spark-leaking engines have destroyed twenty times as much pulpwood as the railways have freighted out. But not so to-day. The railway executives ncw realize that defective engines that destroy potential business are poor investments. They exist now only as accidents and are soon corrected. Although one-half of the Canadian Pacific Railway right-of-way lies in forest areas in the East and is flanked by forests for hundreds of miles in both Ontario and British Columbia, this railway, which was about the first on the continent to seriously take preventive measures and organize fire combating forces, has long since ceased tc be a factor in the destruction of the forests. In order to eliminate the possibility of fires being started by passing trains, all Canadian Pacific locomotives are examined at the end of each trip and great care is taken tc see that ash pans and front ends are in good condition and that smoke stacks are so fitted that glowing embers cannot be emitted when the train is pulling uphill. Engineers and firemen are given explicit instructions not to dump live coals or throw waste along the right-of-way, and should an engine crew notice a blaze, by a series of whistles the section men and fire patrol are notified, and the nearest despatcher takes steps to secure whatever additional men are necessary.

Maintains Patrol Force

The Canadian Pacific maintains a regular and efficient force which patrols the right-of-way in forest areas after the passing cf trains and which co-operates with the Dominion, provincial and other fire prevention organizations to the fullest extent. Hundreds of men are engaged each summer in watching for fires that might start from sparks from the engines, and in keeping constant watch fcr the safety of the people's property as represented by the Crown land forests. This is done, not only because the forests are public property, but because dead forests yield no revenues, and these are needed, above all things, by the railroads to-day. At various points alcng the line, too, are kept a number of fire tank units, each unit consisting of two tank cars, each of 7,000 gallon capacity, equipped with powerful pumps, and approximately one mile of hose. This equipment has proved valuable not only in fighting forest fires, but in fighting fires which have occurred in forest and railside towns.

Other railroads in the country have evolved scmewhat similar fire protection systems, so it is seen that, the locomotive having been eliminated, the responsibility for forest fires, apart from that small percentage which can be attributed to natural causes, must be laid on the shoulders of the careless human element which wculd appear to be hard to impress or reach, notwithstanding the educational and warning bulletins that force their attention upon every person entering the woods. Provincial legislation has had some effect in late years, but that fires such as those which devastated large areas in British Columbia this summer still break cut, lays emphasis on the need for further restrictive laws. for still greater educational campaigns and a greater measure of punishment for those who have so little regard for the public welfare as to imperil the Dominion's forest resources in any way.

WHAT THE BIBLE SAYS

The elementary principle of justice, that an individual should be responsible to others for his acts when those acts result in injury to his neighbor, is as old as the Mosaic law, which has never become decadent or obsolete. The liability for fire is recorded in Exodus xxii: 6:

"If fire break out, and catch in thorns, so that the stacks of corn, or the standing corn . . . be consumed therewith; he that kindled the fire shall surely make restitution."

F. W. Dickie & Company
General Insurance Agents
POLICIES SECURED BY THE
"Largest Fire Insurance Company on the Continent"
REPRESENTED AT
LLOYD'S
LONDON, ENGLAND
Canada Permanent Building
HALIFAX, Canada

The Spanish River Pulp and Paper Mills LIMITED

ANNUAL REPORT, 1925

DIRECTORS

Geo. H. Mead, P. B. Wilson, C. E. Read, T. Watson Sime, G. R. Gray, T. H. Watson, C. H. L. Jones

OFFICERS

President.....Geo. H. Mead
Vice-President.....P. B. Wilson
Vice-President.....G. R. Gray
Vice-President.....C. H. L. Jones
Secretary.....J. G. Gibson
Treasurer.....A. H. Chitty

The following annual report of the Company was unanimously approved by the Shareholders, September 25th, 1925:—

TO THE SHAREHOLDERS OF
THE SPANISH RIVER PULP AND PAPER MILLS, LIMITED.

Your Directors have pleasure in submitting the following report of the operations of The Spanish River Pulp and Paper Mills, Limited, including Lake Superior Paper Company, Limited, for the year ending June 30th, 1925:—

SUMMARY OF INCOME ACCOUNT

Gross Profits for the Year	$3,851,645.47
Less: Reserved for Depreciation	550,515.93
	$3,301,129.54
Less: Interest on Funded Debt and Other Loans	751,558.11
	$2,549,571.43
Less: Appropriation for Contingencies and Government Taxes	265,000.00
Net Profits for the Year	$2,284,571.43
Add Surplus as at 30th June, 1924	5,799,487.90
	$8,084,059.42

APPROPRIATIONS:

Dividends at 7% per annum on Preferred Stock	$603,365.00	
Dividends at 7% per annum on Common Stock	661,290.00	
Proportion of Dividend paid to Bondholders	140,517.24	
Transferred to Reserves	220,563.00	
		1,625,735.24
Surplus as at 30th June, 1925		$6,458,324.18

Although the profits of the last year are less than those of the previous period, the Directors regard the statement as very satisfactory in view of the lower prices for the Company's product, and general market conditions.

Your Directors record with deepest regret the passing of Colonel T. Gibson, C.M.G., D.S.O., Vice-President and Legal Counsel of the Company, which occurred on 31st January, last. As a member of the Board of Directors, Colonel Gibson's advice and counsel was much valued, and his loss will not only be greatly felt by this Company, but by the Country which he so nobly served and for which he made so great a sacrifice.

The Board wishes to express its appreciation of the loyal support of the Officers of the Company and the employees in all departments, which has resulted in such satisfactory operations during the year.

Toronto, Ontario, 29th August, 1925

By Order of the Board,
GEO. H. MEAD, President.

THE SPANISH RIVER PULP AND PAPER MILLS, LIMITED LAKE SUPERIOR PAPER COMPANY, LIMITED

Consolidated Balance Sheet as at 30th June, 1925

ASSETS

PROPERTY ACCOUNT		$31,817,397.18
INVESTMENTS AT COST		491,875.00
CURRENT ASSETS—		
Pulpwood, Woods Equipment, Stores and Finished Products	$9,203,291.34	
Accounts Receivable Less Doubtful Debts	2,014,946.57	
Companies' Securities Purchased and Held	261,725.61	
Cash in Banks and on Hand	423,197.05	
		11,903,160.57
DEFERRED CHARGES		469,690.38
		$44,682,123.13

LIABILITIES

		Authorized	Issued
CAPITAL STOCK—			
Common		$10,000,000.00	$9,447,000.00
Preferred 7% Cumulative Participating		10,000,000.00	8,619,500.00
		$20,000,000.00	$18,066,500.00
BONDED INDEBTEDNESS—			
1st Mortgage 6% Bonds Authorized and Issued		$9,000,000.00	
Less: Redeemed and Cancelled		2,040,859.96	
			$6,959,140.04
6% Serial Mortgage Lien Notes Authorized and Issued		$3,500,000.00	
Less: Redeemed and Cancelled		2,422,000.00	
			1,078,000.00
General Mortgage Bonds Authorized $20,000,000.00 Series "A" 8% Bonds Authorized and Issued		$3,000,000.00	
Less: Redeemed and Cancelled	$60,000		
Cash in Hands of Trustee to redeem	57,000		
		117,000.00	
			2,883,000.00
			$10,920,140.04
CURRENT LIABILITIES—			
Trade Accounts and Bills Payable, including Government Taxes		$1,861,311.95	
Accrued Interest on Bonds and Notes		227,754.53	
Dividends Declared (Paid 15th July, 1925)		386,422.37	
			2,475,488.85
RESERVES—			
Depreciation		$5,502,099.97	
General		1,259,570.09	
			6,761,670.06
SURPLUS			6,458,324.18
			$44,682,123.13

Contingent Liabilities $18,400

We have audited the books and accounts of The Spanish River Pulp and Paper Mills, Limited, and of its subsidiary, the Lake Superior Paper Company, Limited, for the year ending 30th June, 1925, and certify that the above Consolidated Balance Sheet is properly drawn up and shows a true and correct view of the state of the combined Companies' affairs and that the results from the operations for the year are correctly set forth in the annexed report of the Directors, according to the books of the Companies and to the best of our knowledge and the explanations given us.

All our requirements as Auditors have been complied with.

29th August, 1925

PRICE, WATERHOUSE & COMPANY,
Chartered Accountants.

Record Protection Vital to Success of Business

Some Authoritative Data on How to Protect the Important Records That Are the Foundation of Business Operations

By E. H. McKINNEY.

GREAT as the reported property losses from fire in Canada may be, they only tell part of the story of the toll of the fire demon on business. Consultation with business men, who have had fires, reveals a multitude of cases where the loss of records proved an even more costly handicap than the destruction of property. Among many cases is that of the Canadian General Electric Company, which suffered loss when its building in Montreal was burned on January 13 of the present year. Steel filing cabinets, which contained the records of the company's Montreal branch remained standing after the fire, but the contents were destroyed. Considerable inconvenience was caused the company and the possibility of serious loss was obviated only by the carefulness of the company in keeping duplicates at the head office in Toronto.

Protect Records and Save Business

"No honest business man has ever won in a bout with fire. A draw is the best he can get. No business man will know exactly how much he can lose until he loses his business records. Neither will the insurance company, and that lack of information will delay the adjustment. Protect your records and they will protect your business."—Raymond C. Willoughby.

Saved by Borrowed Safe

Many similar cases arise every year but they do not receive the publicity that property losses do, because few owners are willing to admit the lack of protection and there is no third party, such as an insurance company, to whom the facts must be reported. That an appreciation of the dangers from lost records has developed in recent years is indicated by the many instances where proper protection has been effective. Only a newly installed safe, really loaned on approval, enabled one Toronto company to get back into business within twenty-four hours after its office was destroyed in 1923. The complete records were saved, including the inventories, without which the company would have found difficulty in proving property loss. Had the fire occurred three weeks earlier the records would undoubtedly have been destroyed and the position of the company would have been involved.

In the conflagration which destroyed the Lister Building in Hamilton in February, 1923, the entire centre of the building fell in and the contents of dozens of offices tumbled in a seething mass to the basement. Fortunately, most of the occupants had their records protected and the loss was minimized. One firm, not so fortunate, in writing to a manufacturer of safes in January, 1924, said:

"It is now over ten months since we were burned out in the Lister Building fire of Feb., 1923, and in looking back over results of our loss are forcibly reminded of your remarks to us early in April when you said: It is not now that you will realize your loss, it will be in six months or so that the value of the records you have lost will become apparent to you.

"We find this to be only too true for the loss of receipts, deposit slips and registers of our transactions, has necessitated the repayment of certain sums that we are positive we have already paid and we are still trying to reach a satisfactory settlement on yet another claim because we have no proof that we have paid it.

"Our bankers have accorded us every assistance, but without our cancelled cheques we cannot tell from their books what transactions we have made, for the Canadian banking system does not keep on record to whom cheques are made payable, etc.; in fact we cannot expect them to do our book-keeping for us."

Failure Follows Fire

The seriousness of the danger in not protecting records properly may be realized from a study of the credit ratings of firms which have suffered from fires. Not only may the rating be reduced, but instances where the company was forced out of business are many. In the famous fire which destroyed the wholesale district of Toronto in 1904 a number of firms, including the leading wholesale firm of Wyld, Grassett and Darling, lost records which made it impossible for them to open for business again.

The results of an investigation recently conducted by the Safe Cabinet Company in conjunction with the R. G. Dun Company, are of special interest: The figures were obtained by selecting, in Canada and the United States, entirely at random, one hundred cases from the fire and record loss file of the research laboratory. A careful questionnaire was prepared and submitted to R. G. Dun Company for compilation of credit histories from five years before the fire to the present time. On completion of this investigation, files were sent to the company in each location affected, for checking and any added information.

The few unrated professional men and others upon whom there was not sufficient dependable data were eliminated.

The fire and record losses covered by this cross section analysis occurred between 1915 and 1922. They involved a broad range of business from a 2½ million dollar manufacturer to the merest crossroads store.

The question arises as to factors other than record loss entering into these figures. A study of details of this and other investigations shows that other factors were minor. A few cases of serious under-insurance were shown. But the great lesson was one of inability to collect outstanding accounts, completely prove loss for insurance collection and resume business quickly without records.

Almost half of these firms either failed to resume business or were out of business within six months. Seventy-four per cent. of them suffered serious or fatal red ink entries against their credit work.

Records Biggest Assets

The value of records and the extent of the loss from their destruction varies with the business concerned. Those businesses dealing chiefly in credit, such as banks, life insurance companies, trusts and loan companies, bond firms, etc., will, as a rule, lose most heavily. Their records constitute, as it were, their stock in trade, which cannot be insured in the same way as the stock of a manufacturer, wholesaler, or retail merchant. Hence the evidences of borrowings and loans must receive the best protection available, as their safety is paramount. So complicated have these businesses become, with contracts extending over periods of twenty, thirty or more years, that their very existence is contingent on the availability of records. Thus, life insurance may depend on complete records of applications, policies issued, etc., many years ago, as well as all the evidences of loans, which comprise their assets, such as bonds, mortgages, etc.

Corresponding to these inventories of financial companies are the inventories of stocks held by industrial and mercantile concerns. These are pre-eminent in importance because fire insurance policies specify that claims can only be paid on proven losses. With the records of values destroyed, the adjustment becomes a hit and miss guessing contest with the possibility of a totally inadequate indemnity. Corporation records, such as charters, franchises, contracts and all similar instruments are of special importance. While business men have frequently thought it sufficient to protect the records mentioned, many now realize that other records used in the regular course of business, such as invoices of goods received, bills receivable, ledgers, etc., are so important as to merit equal consideration.

The common means of protecting records is by the installation of satisfactory vaults on the one hand and the use of safes or cabinets on the other. The man who wishes to avoid all danger of loss must have in mind the hazard from impacts as well as from heat. Something heavy may fall on a safe, or a general collapse such as sometimes occurs even in buildings regarded as fireproof, may cause it to fall several stories with terrific impact, there to be covered by tons of other debris. The buyer has been confronted, for years, with wide disagreements among those in the business, as to the requirements to be met. But experimental departments have brought substantial improvements, with equipment to suit the individual needs of every business. So important has the work become that professional engineers devote their time to planning vaults for clients in much the same way as an architect plans and supervises the construction of a building.

Ground Support Best

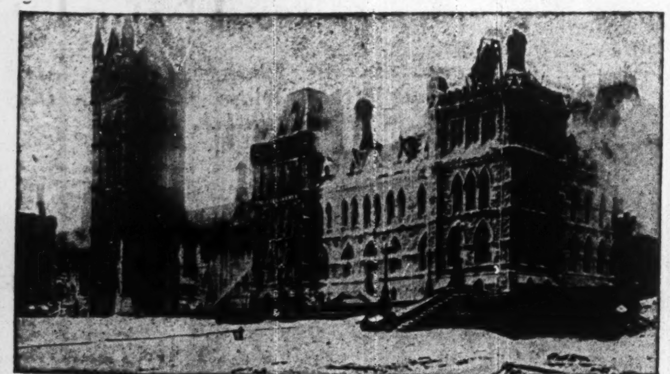
The 1925 report of the National Fire Protection Association outlines the general principles to be followed. Concrete is recommended as a most satisfactory material and brick masonry can be used to advantage. For vaults of several stories in height a structural steel framework is recommended in connection with the concrete or brick masonry, because, while it is not in itself heat-resisting, it will bind the whole together in a unit, doing away with any danger of collapse. Contrary to the general conception, tests indicate that thick concrete rather than thin walls separated by air spaces is desirable both to resist heat and withstand strain. The construction may vary according to the length of resistance desired, with a preference always for the better and thicker walls and roof. The common classifications are into six, four and two hour resistance. Neglect of the thicker construction always means less protection. Naturally, vaults built into but independent of a building, with their foundations well set in the ground, are much preferable to those supported by the framework of the building. The reason is obvious in the immunity from collapse with the building in case of a bad fire. The small vault is most desirable because the larger the interior is the greater the fire hazard within it becomes.

Neglect of Door Fatal

One point of outstanding importance, which is frequently overlooked, is the necessity of securing doors with a fire resistance approximately equal that of the walls and roof. Occasionally a company has been found to go to big expense in building a vault only to seal it with a loosely fitting thin iron door. The door need not be built to resist impacts so well as the walls, but it should preclude any possibility of flames getting through and should be equally heat-resisting.

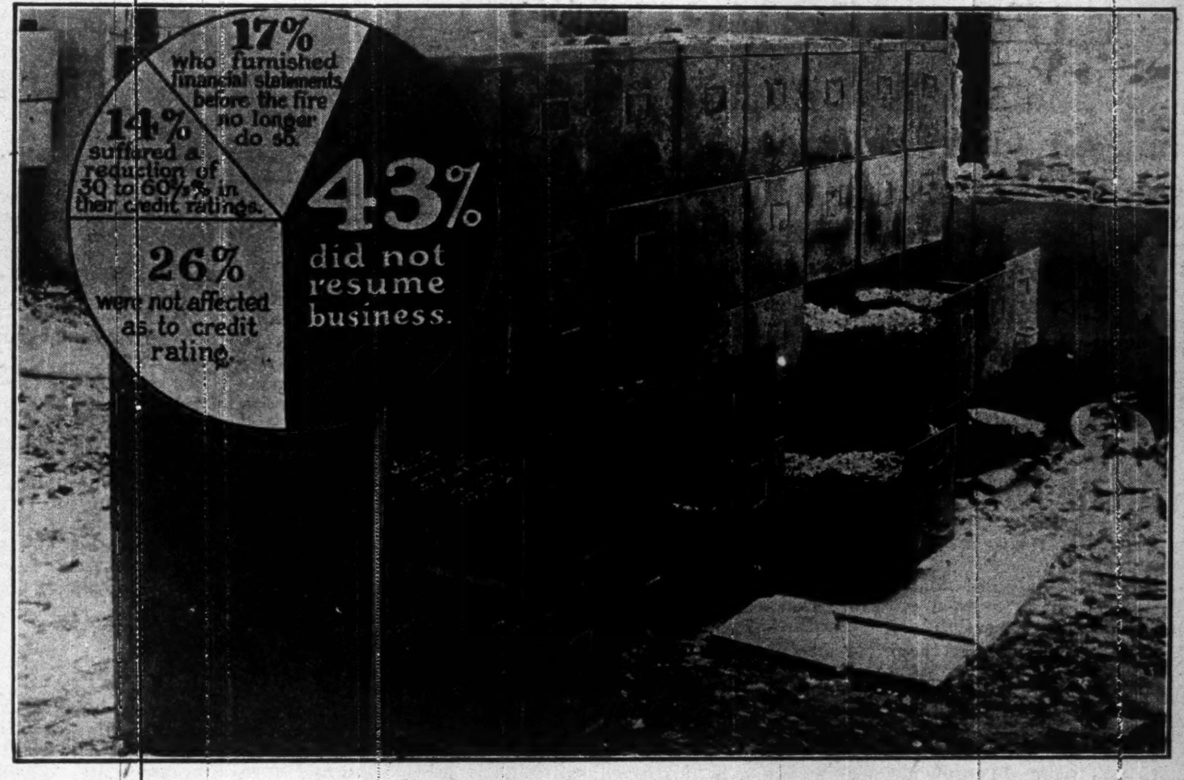
Only by attention to the problem of protecting records at a time when it may seem least necessary can any business be assured against fatal delays which involve big monetary loss. The owner may be indemnified against property loss by the insurance company, but a fire stops the "income" so necessary to progress. The highly complicated organization of modern business makes its resumption almost a necessity and elevates the slogan to "be back in business in twenty-four hours" to a new pinnacle. To attain it the records must be preserved above all other parts of the company's property.

Why Record Protection is Needed



OTTAWA PARLIAMENT BUILDING FIRE
This massive stone structure, built of non-combustible materials, still stands. Yet the contents—priceless records—burned as merrily and completely as though they had been in the veriest "fire trap." Is your building as good as this?

What Happens When Records Are Destroyed



When the vital records of business are destroyed, as in the fire that destroyed the records in the files pictured above the very life of the business is endangered. The chart, inset, shows the results of a survey of firms that lost their records.

COMMUNITY WORK NEEDED

Besides serving the purpose of general public education, observance of fire prevention week should be made the starting point for some definite activity in every community during the coming year. Many cities and towns are beginning to realize the necessity of bringing their by-laws up to date, and there should be a greater interest displayed on the part of business men to see that their property is protected from unnecessary danger which modern trade conditions may have injected into the community, such as gasoline and pyroxlin hazards, etc.; or it may be the necessity for regular fire department inspections, the removal of rubbish and litter, the building of a fire hall, better fire-fighting equipment, the improvement of the water supply, or the adoption of a fire prevention by-law carrying with it the appointment of an official who shall be empowered to enforce it; or whatever may be found necessary to make the home town a better and safer place in which to live.

SIMPLE MEASURES STOP FIRES

Statistics show that fully eight out of every ten fires are preventable by the exercise of care and the adoption of simple precautionary measures. If we are to enjoy the fruits of our labor, we must counteract and put a stop to this destruction of human life and property.

What Records Can My Firm Now Destroy With Safety?

INSTANCES where companies have suffered serious embarrassment and loss through the destruction of important records by fire are many, and the recurrence of such losses has led to a big increase in the attention paid to protecting them by the use of vaults, safes, etc. Yet every business man is faced with the problem of determining just what records to preserve and for how long in each case, and yet avoid a needless accumulation of highly inflammable material. During the past year a committee of the National Fire Protection Association has studied the problem and made some general recommendations of value to business men.

The report of the committee points out that no uniform system can be applied to every business, but it indicates a general plan to be followed. As a rule, correspondence should be retained as long as the records to which it relates, but there are many instances where businesses, especially banks, have eliminated big accumulations through an earlier schedule for destruction. One large bank in the United States has successfully used a plan of marking on each letter before filing the date on which it may be destroyed. When records are destroyed, a permanent list of them should be made.

In the case of corporation records the capital stock and stock transfer registers, registered bond ledgers, minute books of stockholders, directors and executive meetings, general code and cipher books, deeds and title books to property and mortgages should be kept permanently. Charters, franchises, etc., should also be retained indefinitely. Cancelled stock certificates, bonds, and paid interest coupons need not be kept permanently, but a clear record of their destruction, giving full descriptions by competent officers, should be retained. When the documents represent debt secured by mortgage, the certificates of destruction should be authenticated by representatives of the trustees. Record of interest coupons paid, lists of holders of voting securities presented at meetings, and contracts respecting securities of the company, leases and agreements, should be held for seven years.

Among records which should be kept permanently are all general ledgers and their trial and other balances, records of securities owned, general journals, treasurers' and auditors' cash books, journal entries, accounts receivable records, schedules and returns of taxes, records of cost and inventory values of plants, equipment, etc., all maps, plans and specifications and auditors' reports.

Such records as copies of bills issued, schedules of fire and other insurance, etc., are necessary for seven years, while records of fidelity bonds on employees, inspectors' reports on the condition of property, should only be kept for three years.

Bank Records Needed

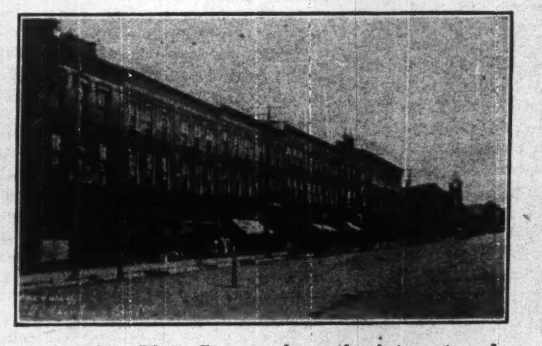
In the case of banks, the statements of depositors' balances, correspondence relating to stop-payment orders and duplicate cheques, should be held permanently. On the other hand, records of receipts and disbursements, of managers' and agents' balances, etc., may be destroyed in from three to seven years.

Many expenditure records should be held permanently, according to the report. Audited, paid and cancelled vouchers, drafts, cheques and receipts for cash, pay rolls and authorities for changes, records of the accounting distribution for which money is paid out, various claims paid for damages, injury, overcharging, etc., are among these. All records of assignments of pay, garnishments, etc., need only be kept for three years. As a rule all papers substantiating claims paid may be destroyed with safety in seven years.

In the purchasing and stores departments, most records may be destroyed in seven years, except those of materials and supplies on hand, but invoices, price records and contracts for purposes, materials received, etc., should be retained permanently. Most sales records such as those in the general books, reports of managers and agents, summaries of agents' collections, records of sales settlements with allied and subsidiary companies, uncollectable accounts and contracts with customers, may safely be destroyed in seven years. Ratings, credit classifications and investigation of customers are usually of little use after three years.

These general rules were only laid down by the association after wide investigation. By following them systematically in a general way it is believed that the accumulation of records, involving expensive protection, may be reduced as low as safety will admit.

Canadian Manufactures and "Better Business"



Another Main Street where the interest and goodwill of the merchant is essential.

"THE Outlook for Better Business," "The Prospects for a Coming Election," "The Tariff," "The Railway Problem," "Taxation," etc., are the talk of the country at the present time—and they are all important problems in which you are naturally interested.

But there is a problem of still more vital importance to yourself, as a manufacturer, than all these—a problem which directly affects yourself and your business. It is

"The Attitude of the Retailer Towards Your Goods."

Even in dull times there are always firms who manage to maintain the volume of their business and even to increase it. The way in which they do this is to continually study the most effective method of getting their message to the retailer.

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The best way of telling "the trade" the sales possibilities of your goods is through the "trade's" business newspapers. Write us for particulars of those listed below and the fields they cover.

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Practical Fire Prevention

A Guide to Ways and Means of Reducing Fire Hazards in Homes, Factories and Public Buildings — From the Ontario Fire Marshal

THE best time to fight fires is before they occur. Most fires may be prevented by promptly correcting hazardous conditions: such as disorder, accumulation of rubbish and litter, carelessness, defective equipment, faulty construction and insufficient protection.

These are the first steps toward effective fire prevention in the store and factory as well as in the home. "Fire Prevention is Self Protection."

Fire Protection in the Home

THE attic, cellar, closets, yards, and out-buildings should be cleaned at least twice a year, in the spring and in the autumn, and all useless material and rubbish removed or burned. Store all remaining articles away neatly and see that passages are unobstructed.

In storing away clothing, furs, etc., first remove all matches and other combustible material from the pockets. Do not go into clothes closets with lighted candles or matches —use an electric flashlight. Do not hang clothes near stove pipes, hot chimneys, steam pipes or stoves.

Get rid of rats and mice. They are disease carriers and their nests are fire traps.

Never light a fire with coal oil or throw coal oil on a fire to quicken it; it may cost you your life.

Oily waste or rags used in polishing furniture or cleaning machinery, if left around the house, are liable to cause a fire from spontaneous combustion. An oily mop has been known to ignite from spontaneous combustion within one hour.

Metal baskets or cans are the only safe receptacles for all waste material and rubbish. Provide a metal receptacle for cigar and pipe ashes, cigarette butts and matches, and see that they are put in the place provided for them.

Never throw a match, cigarette butt or cigar ashes in a waste paper basket. "The end of a perfect cigarette may start a conflagration."

Great care should be exercised in using polishes, cleaning fluids or chemicals unless their contents are known and you are sure that they are not of an inflammable character.

Never pile articles or merchandise up against cellar windows, as firemen have frequently to use the cellar windows as an entrance in case of fire.

Stairways and passages should be kept clear of all materials or stock at all times.

Fire escapes should not be obstructed. Doors and windows leading to fire escapes should not be locked, but left so that they could be easily and quickly opened in case of emergency.

All fire extinguishing apparatus should be kept in good working order and easily accessible.

Of all places in the home or factory, the furnace or boiler room should be the acme of order and cleanliness, and absolutely free from accumulations of combustible refuse.

Fires frequently occur in piles of soft coal from spontaneous combustion. Good ventilation should be provided in storing soft coal in buildings, to carry off methane and other gases escaping from the coal and thus prevent its ignition and explosion on contact with incandescent masses of coal, or from other sources.

Bear in mind that soft coal ignites faster than hard coal.

To prevent overheated stoves it is necessary to watch the fire and drafts more carefully when burning soft coal or wood.

Use metal cans for ashes. Never put ashes in wooden receptacles or pile them up against wood.

Be sure the chimney is safe and clean; and that all flue holes not in use are covered with tight-fitting metal caps. Should any be left open, a sudden pressure of air from heavy winds will force sparks into the room. It is cheaper to examine the flue than build another house.

Never place paper near or over a flue opening.

Chimneys should rise at least three feet above the roof.

See that all stove pipes are clean and free from rust holes.

Where stove pipes run through floors or walls they should be protected by masonry or with metal ventilated thimble or collar, so as to leave an air space between the pipe and the wood, or lath and plaster through which the pipe passes.

It is well to have the fewest possible number of elbows, and these should be placed at an angle of forty-five degrees to avoid horizontal runs of pipe which collect soot and shut off draft.

Protection Against Electrical Risks

Electric light is infinitely safer than coal oil lamps or any other form of artificial lighting when the equipment is installed in strict conformity with municipal or provincial rules and regulations.

All switches should be in iron-clad boxes, externally operated, and kept tightly closed at all times. This effectually encloses any sparking of the switch and lessons the danger from mechanical injury or short circuit.

Where conduit wiring is installed, great care should be taken to see that the ground wire is kept in good order. The object is to render the conduit safe, or, in other words, prevent anyone from receiving a dangerous or fatal shock which might be caused under certain conditions if the pipe were grasped by the bare hand while standing on wet ground. The ground wire also possesses the function of automatically cutting off the circuit in case of a ground, or what might be termed a leakage, should it occur on the system.

The fuse on an electric light or power circuit performs the function, and is the safety valve of the wiring. Filling fuse holders with anything but proper fuses is strictly prohibited by law. In addition to incurring a danger, offenders in this respect are liable to be prosecuted.

If fuses continue to blow out and you are in doubt, send for a qualified electrical wireman.

Electric pressing irons cause many fires by resting on combustible material with the current thoughtlessly left turned on.

Place irons on well-ventilated metal stands and install in the circuit a red pilot light which will show red whenever the current is on the iron. "Electric irons may be sad irons if you don't watch out."

Fires From Defective Building Construction

Numerous fires are caused by defects in the manner in which buildings are constructed.

In the walls of all buildings the spaces between the studs should be filled at each floor, from the bottom of the joists to a point at least six inches above the floor level, with concrete or other fire-resistive material.

When sealed all joists should be beam-filled with incombustible material, to prevent spread of fire.

Wooden shingle roofs are fire breeders. Fire resistive roof covering should be used in all cases.

All chimneys should be built on a solid foundation from the ground up; and never on wooden brackets.

Wooden joists, beams, etc., in party walls should be separated from the timbers entering the opposite side of the wall by at least four inches of masonry work. Timbers near flues, fireplaces, etc., should be allowed safe clearance.

Open spaces should not be left surrounding pipes, braces, etc., where they pass through fire or party walls.

Party walls should be carried to a height of four feet above the roof. Openings in such walls should be protected by approved fire doors. Vertical openings should also be fire-stopped.

First-aid Fire-fighting Equipment

The easiest and most satisfactory way to fight fire is to prevent its occurrence, but even the utmost care sometimes will leave vulnerable spots in the protective armour unnoticed until they are penetrated by fire. Occupants of mills, factories, warehouses, stores and dwellings should be in a position to attack effectively the small blaze—for it must be remembered that fires are at the outset trifling. First aid equipment is inexpensive.

You cannot always put the responsibility up to a well-equipped fire department to protect your life and property. Your fire-fighting equipment must be always ready and efficient. Attack the seat of the fire at once. It is the first two or three minutes that count for most.

Chemical fire extinguishers, of approved design, should be kept in convenient places, and one should always be kept in an automobile.

Care should be exercised in buying fire extinguishers, to see that the containers are made of copper; as steel and iron will corrode and render the extinguisher useless inside of a year or two.

The standard types of fire extinguishers bear the labels of the Underwriters' Laboratories, which insure their efficiency, construction and material.

There are several liquid chemical fire extinguishers on the market that contain soda and acid, or carbon tetrachloride, as the extinguishing fluid. These are reliable and easily handled.

The tubes of dry powder sold as fire extinguishers are practically useless. Don't buy them. They won't give you protection.

In addition to having chemical fire extinguishers in the dwelling, warehouse, and factory, it is well to have fire buckets filled with water located in convenient places. For effective work add one-half to three-quarters pound of bicarbonate of soda to each gallon of water in fire pails and casks; as bicarbonate of soda is a fire-killer.

In planning for the proper protection of a building it is well to use the fire pail as a unit. Allow two pails to every 1,000 square feet of floor space as a minimum; and figure that a two-and-a-half gallon chemical fire extinguisher is equal to six pails of water.

Fire hydrants, whether public or private, should be of standard type, with a barrel of not less than six inches in diameter, and be fed from a water main of not less than the same diameter, forming a complete circuit of the system, without dead ends, or any obstruction to the free flow of water.

There is a loss of head due to friction in the passage of water through two-and-a-half inch hose of the best rubber-lined quality of about fourteen pounds per hundred feet of hose. With the ordinary quality of hose, commonly used, such loss of head may reach twenty-five or more pounds per hundred feet.

A standard fire stream demands the delivery of not less than two hundred and fifty gallons of water per minute through a one and one-eighth-inch smooth-bore nozzle, and to secure this volume it requires a pressure of not less than forty-five pounds to the square inch at the base of the nozzle; this will give approximately a reach of sixty-three feet horizontally and about seventy feet vertically.

Fire Prevention in the Factory

Every factory, store, warehouse, or other institution, great or small, is a part of the nation's assets. If one be destroyed, particularly at this time when Canada needs every ounce of her vitality, her ability to successfully compete with other nations of the world will be lessened to a proportionate degree.

The destruction of a factory by fire maims the city or town in which it is located, just the same as you or anyone else might be maimed by the loss of an arm, leg, eye, or other member. The progress and prosperity of the province and nation are affected in proportion to the suffering of the city or town.

Ascertain the fire hazard of everything and safeguard these things accordingly. Crowding of merchandise should be avoided so as to facilitate inspection and insure order and cleanliness.

Openings that are exposed to sparks from foundry cupolas, locomotives, etc., should be screened.

Keep sidewalk vault lights and window panes whole. Keep plastering and sheathing in repair so that nothing can be thrown into the opening and spaces.

Forbid smoking in the premises, except in a fireproof room provided for the purpose.

Fire doors should be kept closed when not actually in use, especially at night, and also kept free from all obstruction. "One man's fire may bankrupt fifty."

Prevent the accumulation of excess packing material and empty boxes.

If excelsior, paper, hay, or other combustible materials, are used for packing, keep only one day's supply on hand at a time in a tin-lined bin or box and provided with a counter-weighted lid or door having a fusible link to insure automatic closing in case of fire.

Use standard waste cans with self-closing lids as receptacles for oily waste, rags or oil-soaked material that may cause fire from spontaneous combustion. As this material becomes useless burn it every day in the furnace before closing.

Paint, varnish and oil-fillers usually contain linseed oil which will oxidize, heat, and set fire to rags, excelsior or other similar combustibles used for rubbing down or wiping up these materials. Do not let these lie neglected for even an hour. All combustible waste material used in manufacturing should be removed from the building daily to a safe place unless it can be burned at once.

Lime in slaking generates a heat of 800 degrees Fahr. Keep unslaked lime in a dry place, away from leaks in a shed or wherever stored.

Metal lockers should be provided for employees' clothing to minimize the danger from fire of a hot pipe left in the coat or oily waste in the overalls pocket.

Catch oil drip in metal pans. Don't use sawdust or other combustible material to absorb it.

When properly installed in factories, warehouses, stores, etc., with sufficient water supply at proper pressure, and the equipment maintained in a constantly operative condition the automatic sprinkler has proven itself to be the most reliable and satisfactory fire extinguishing device in use.

In 15,000 fires tabulated by the N. F. P. A., where sprinkler systems had been installed, eighty-five per cent. were extinguished by one sprinkler head.

Pails of water, chemical extinguishers, and small hose, are useful as auxiliary apparatus for quenching fires in their incipient stage, but they cannot take the place of an automatic sprinkler equipment. Imagine an army of firemen stationed ten feet apart throughout a factory, or department store, each man with a hose nozzle in his hand ready to turn on the water. Imagine further that these men are on duty day and night, three hundred and sixty-five days in the year, and stick to their posts in spite of the heat and smoke of a fire, and you have a graphic picture of the kind of protection furnished by an automatic sprinkler system.

Efficient watchman service is very important and should be maintained at all times when a plant is not in operation, and the record of service be shown on a clock dial or such mechanical device as will not permit evasion of duty.

In small factories or stores where only a few persons are employed, the proprietor or superintendent should make a thorough inspection of the premises five or ten minutes after everyone has left the place for the night, in case a match or cigarette butt has been carelessly thrown on the floor and left to smoulder amongst combustible material.

All shafting and machines with belts that are liable to cause static electric sparks should be well grounded.

No one dreads a fire more than a manufacturer. When his plant is burnt his trained workmen are thrown out of a job, the business which has taken years to build up is dissipated; and the town immediately suffers on account of the circulation of the weekly pay roll being stopped.

Fire Protection of Public Institutions

In hospitals and public institutions the first consideration should be the prevention of fire and adequate provision for the safety of life should a fire unfortunately occur.

With sick persons the tendency to become panic stricken under slight provocation is very great and infants are easily suffocated by smoke.

Fire escapes, preferably of the smokeless tower stairway, or tubular, type should be provided.

Wings and sections of institutional buildings may be cut off from other parts of the structure by fire walls and automatically closing fire doors.

Stairs and other vertical openings should be fire stopped or "cut off" from the main structure. Where light is diffused wired-glass partitions in steel frames with automatically closing transoms may be installed, etc., so that a building not even modern in construction may be made fire retardent instead of quick burning.

The idea is to prevent smoke and fire from rapidly spreading throughout the building until the inmates can be moved to a safe place.

Fire Hazard of Pyroxylin Finishes

The increased use of various enamels, lacquers, or finishes, having a nitro-cellulose content, properly termed "Pyroxylin Finishes," and placed on the market under various trade names, have created new fire hazards in the automobile, furniture, and radio industries, and it is probable that this development will spread to other lines of business.

As a rule, the solvents used with pyroxylin finishes are in the alcohol class with low flash point. The total content of the solids includes resins, pigments, flexible oils and nitro-cotton, the percentage of the latter being relatively small.

The most common method of application consists of spraying. As the thinners employed are highly volatile, quick drying is a characteristic of these finishes, hence the hazard in general can be mainly safeguarded by adequate ventilation. Oxidizing oils are not as a rule employed, but where such oils are involved, the hazard of spontaneous ignition, as in the case of paints and varnishes, is present and should be guarded against.

The dried residue which collects in spray booths and ducts is highly inflammable, and once ignited the resulting fire spreads rapidly. The degree of this hazard largely depends upon the design and manner of installation of the ventilating system, operating methods and quality of housekeeping.

The fire chief and building inspector should be consulted before any definite action is taken in connection with the introduction of pyroxylin finished, re-location of existing equipment or departments, changing of existing equipment, purchase of new equipment, or the storage of pyroxylin finishes and thinner. If timely advice and guidance are secured, unnecessary hazards will be eliminated, and in many instances the necessity of making subsequent expensive changes obviated.

INSURANCE IS A TAX

It is a common fallacy on the part of many to think that because property is covered by insurance there is no loss in case of fire. Fire insurance does not replace lost property. It only helps to pay the loss. Insurance companies collect money in the shape of premiums and pay the losses from the people's money thus collected.

Fire insurance is really an assessment or tax on all to pay one. It is, consequently, the duty and obligation of every person to assist in the reduction of our fire loss.

INSPECTION WILL HELP

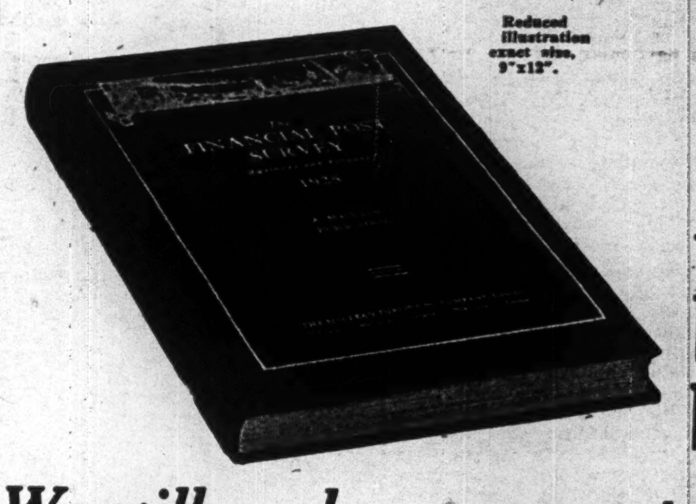
Rigid inspection, so as to prevent the accumulation of flammable rubbish and litter as well as the encouragement of good housekeeping methods will do much to reduce our fire waste. This important work can be further augmented by the elimination of faulty construction and the removal of old dilapidated buildings, which not only are a fire menace, but a canker and disfigurement to the attractiveness of a city—in short—a liability instead of an asset to the municipality.

Handling Radio to Dodge Fire

Radio receiving and transmitting sets are being installed in such large numbers that the adoption of certain rules and regulations designed to protect life and property has become imperative.

In radio installations having antennae outside the building, the principal dangers are from lightning and from possible contact of antennae or of lead-in wires, with electric light, power, railway or communication wires or with lightning conductors. Receiving antennae installed inside of buildings are regarded as without serious hazard, except that they should be run with the same care as is exercised in installing other signalling wires and apparatus.

One of the dangers connected with the present use of radio equipment is the tendency of those interested to experiment with live circuits and other sources of relatively high voltage and large current capacity. Even the current from a 6-volt storage battery is sufficient, under certain conditions, to cause fire.



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The Business Outlook
Production in Canada
Industrial Analysis
Agricultural Statistics
International Trade
Public Finance and Banking
Transportation Statistics
Movements of Commodity Prices
Labor and Employment Statistics
The Investment Situation
Federal Taxation in Canada
Insurance and Trust Company Problems
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Fire Stopping Important in Building Construction

Great Loss Due to Spreading of Fires After They Have Started Can be Materially Reduced by Attention to Fire Stopping Methods

By MAJOR J. A. RUDLAND,
Fire Marshal of Nova Scotia.

LAST year the fire loss in insurable property in the Dominion of Canada was $45,906,531, or a per capita tax of $5.10. 372 lives were lost. These losses were due to 86,523 fires.

The three leading causes with number of fires in each are given as:

Overheated stoves, furnaces and their pipes	16,578
Defective chimneys, flues and pipes	14,745
Sparks on roofs	12,243
Total	43,566

More than one-half of all fires, then, were due to these three causes. As to the first one referred to, proper care in the installation of heating and cooking apparatus and piping, and periodical inspection of same would undoubtedly prevent a great many fires from this cause. As to second one, defective chimneys, flues and pipes, proper chimney construction and careful attention thereafter, would prevent fires from this cause.

As to the third one, sparks on roofs means in most cases sparks on wooden shingle roofs, the remedy here then is a simple one.

Loss Due to Spreading

The greatest loss, however, is due to the spreading of the fire after it has started, due to poor construction of buildings. It is not uncommon to have a fire starting in the basement or lower floor of a building to break out at the roof.

The great preponderance of dwellings are of combustible construction, with stairs lined with varnished or painted woodwork, and with no provision whatever for arresting the spread of fire, either from floor to floor or from room to room. There are, as well, other channels by which the flames may spread rapidly, such as openings around water, gas and steam pipes, hot air pipes, laundry chutes, elevator wells, ventilators, dumb waiter shafts, and open spaces through walls and partitions also are natural arteries for communication of smoke and flame. These have figured in innumerable dwelling and apartment house fires.

Structural fire barriers necessary to provide reasonable protection for a dwelling house would involve an additional expenditure of a very small fraction of the total cost of the building. Especially prolific causes of the rapid spread of fire are open passages in frame walls and partitions. If fire occurs in the basement, these openings act as flues to carry smoke and fire to the attic; if it starts in the attic, sparks fall down the hollow places. Result in either case is disastrous.

The importance of fire-stopping, that is, of closing these natural flues in the frame work and elsewhere about residences, is overlooked by the average home-builder in this country.

Every Floor a Cut-Off

Many a burned house could have been saved from total destruction if, when it was building, thought had been given to fire-stopping, the underlying theory of which is that every floor should form a cut-off so that fire cannot reach the story above without actually burning through the floors. This localization allows time in which to fight the flames.

The owner should pay special heed to this part of the home construction, for though he may not appreciate it at the time, it is immensely more important to him and to his family, than is a consideration of how snugly the soap-dish fits into the bathroom wall.

Incidentally, fire stops contribute largely to the conservation of fuel by arresting the escape of heat, or as the structural engineer would phrase it: "Breaks in the furring of walls decrease their thermal conductivity." In this country when the temperature drops suddenly in the winter, everybody puts on more fire and many fires follow every cold wave. The obvious thing, therefore, in building a house is to build it so that there will be no necessity for forcing the heating plant. It is possible for even the ordinary house at a very reasonable expense to have its walls and roof insulated so that a house formerly cold is warm even in cold weather. Less fuel is required, consequently there is less danger from overheated pipes. This can be accomplished in several ways. Fire stops serve also as barriers against rats and mice.

Expert Workers Important

Too often fire-stopping is affected, when it is introduced at all, simply by the nailing in of pieces of refuse wood, the job being assigned an apprentice helper when it never should be delegated to any but an experienced and scrupulous workman.

Ashes mixed with lime to give it body is recommended as excellent material for fire-stopping purposes. Other materials are also used. Asbestos paper laid between floors will retard fire for a time.

Two in every three fires occur in dwellings or apartment houses, fire-stopping, therefore applies especially to these, not because of money values involved as in factories and commercial buildings, but because of danger to the lives of the occupants when fire occurs at night.

More lives are lost by fire in dwellings, apartment houses, tenements, and hotels, in the course of a year than in all the factory, school, theatre, and similar holocausts in the average decade.

The latter class of fire because of its great magnitude, receives extensive publicity, the former comparatively little, and the public fails to realize that the record of our country proves that fire prevention like charity should begin at home.

In Business Premises, Too

Fire-stopping should also be applied to business premises, and the best-managed properties are those where every practical precaution is taken to avoid fire for the primary purpose of safeguarding life and preventing interruption of business by fire.

In connection with fire prevention methods as applied to building construction I might add that the fire-prevention board of Nova Scotia have now in course of preparation a model building which is to be designed for demonstration purposes and in which attention will be effectually directed to good and bad construction, including fire-stopping—proper construction of chimneys, proper location of fire places, furnaces, stoves, etc., electric lighting, roofing, and many other items. The model, it is intended, will be shown at fairs, schools, etc., and a speaker will accompany it.

The fire prevention board came into active operation in 1920. Since that time numerous fire prevention activities have received attention. Chief among these was the publication of a fire prevention text book for use in the public schools. This book is now in use and fire prevention is taught in our schools. This was the first text book of its kind to be used in the public schools in the Dominion.

Last year a fire prevention poster in colors suitable for hanging on the wall of the school-room and containing fire prevention material for use of the teacher, was published and sent to every schoolroom in the province. The board is now considering a provincial fire prevention essay writing contest.

The results so far from these and other fire prevention work undertaken, have been good. In 1921 Nova Scotia ranked as second highest in her per capita loss among the provinces. In 1924 the position was next to the lowest.

How One Big Canadian Industrial Plant Keeps Fire Losses Below $500 a Year

By GEORGE F. LEWIS,
Deputy Fire Marshal of Ontario.

THE prevention of fire and the protection of the lives and property of the people from destruction when fire does occur should be a matter of municipal and general government concern. As manufacturing industries are the backbone and mainspring of a community, so should their development and prosperity be of vital importance to every citizen, especially in their protection from loss by fire. Such, however, is not the case, and many of our most important industries and large commercial institutions have found it necessary to organize and maintain first-class fire prevention and fire-fighting brigades. This private fire protection naturally increases the overhead of the company, and the cost of their product is proportionately increased, whereas if the municipality provided adequate fire protection and the entire citizenry contributed to the cost of maintenance, greater prosperity would accrue to all.

One Typical System

It would be invidious for me to mention in particular any one of the splendid fire fighting organizations connected with industrial plants in Canada. While each may have special hazards to protect, and conditions naturally vary in different lines of industry, an outline of the activities of one of those fire departments will suffice as a composite picture for all.

The first line of defence is the automatic sprinkler service. In other words, this particular corporation has eighteen thousand watchmen located every ten or twelve feet apart covering the entire plant, and ever on the alert to pounce on the demon fire. This system is supplied with water from four city connections by two private fire pumps, each of one thousand gallons capacity. These pumps take their suction from two underground tanks with a total capacity of two hundred and fifty thousand gallons.

Forty two, three and four-way hydrants, are located throughout the yards and streets of the plant.

Hose reels are stationed in houses in all yards, carrying a total of 2,500 feet of 2½-inch cotton rubber-lined hose, which is tested regularly.

All departments covering large areas and stair-towers are equipped with hose standpipes, with two-inch linen hose attached.

All parts of plant have their quota of pails, two and half and forty-gallon chemical extinguishers, together with a liberal supply of sawdust and soda with which oil fires are fought.

Oil soaked waste, rags, etc., are placed in metal-covered receptacles in all departments and these receptacles are emptied daily.

Small Loss Over Many Years

The responsibility of maintaining the general standard of cleanliness in the plant rests with the foreman over what is known as the labor department. It is to this standard of cleanliness and the constant inspection by the fire department that the officials attribute a record of negligible loss, the corporation's record showing that their loss from fire has been less than $500, covering a period of thirty-six years. The chief and his men are proud of such wonderful results.

There is an hourly patrol inside and outside of the plant during periods when factory is closed. The inside men report on a sixty-eight station electric recorder, and the outside men on a portable clock.

The fire department consists of chief, assistant chief and six men. These six men are employed close to fire headquarters and can be called, in case of fire through the day, on a special bell located in their department. They sleep on the premises at night, and alternate, in shifts of three, for nights on and off duty. For this they receive extra remuneration.

Drills are held weekly during summer months. The fire alarm installation consists of 44 boxes and in connection therewith there are automatic telephones in all departments. The dialing of double "O" (OO) on this system means a call for fire, and rings a special phone in fire headquarters which is used for fire alarm purposes only.

In the first eight months of this year, the fire brigade responded to 14 alarms, and no loss was sustained.

The motto of this concern is "Protection Comes Before Production."

The foregoing interesting account of a private fire department could be changed perhaps in as many ways as there are varieties of industrial lines of manufacture, but in all cases the fundamental principles are practically the same.

Winter in Inspection Work

In winter the time is spent in inspection work, becoming familiar with the location of the protective equipment, alarm boxes, etc., discussing the nature of fires that may occur in the various buildings and planning the best methods of handling them. In some cases contests are held with similar industrial fire fighting organizations so as to stimulate interest among the men.

Reference to another private fire brigade shows how well the men are trained. They have a record of running three hundred feet with a hose reel, coupling to a hydrant, laying 150 feet of hose, disconnecting from the reel, attaching a play-pipe, raising a 20-ft. ladder, carrying the nozzle to the top, all in 34 seconds, and for many years have handled all fires in the plant without calling the municipal fire department into the yard.

I am not reciting the conditions of exceptional cases, but stating facts that are common to thousands of other well-regulated concerns throughout the country, and what can be accomplished in these large plants by the exercise of systematic inspection, care, order and cleanliness, can be accomplished in other commercial and industrial institutions and thus prevent the big fires, and cut our national losses in two.

Always the easiest and most satisfactory way to fight fire is to prevent its occurrence, but even the utmost care sometimes will leave vulnerable spots in the protective armor unnoticed until they are penetrated by fire. Occupants of mills, factories, warehouses, stores and dwellings should be in a position to attack effectively the small blaze — for it must be remembered that fires are at the outset trifling. First aid equipment is inexpensive.

Pails of water, chemical extinguishers and small hose are useful as auxiliary apparatus for quenching fires in their incipient stage, but they cannot take the place of an automatic sprinkler equipment. Imagine an army of firemen stationed ten feet apart throughout a factory, or department store, each man with a hose nozzle in his hand ready to turn on the water. Imagine, further, that these men are on duty day and night, three hundred and sixty-five days in the year, and stick to their posts in spite of the heat and smoke of a fire, and you have a graphic picture of the kind of protection furnished by an automatic sprinkler system.

Massey-Harris?

When Mr. Lewis delivered this address before the National Fire Waste Council at Washington he did not name the industrial plant in question, but The Financial Post understands it is the Massey-Harris Company.

MORTGAGE INCENTIVE TO OVER-INSURANCE

Present Loaning System Said to be Inducement to Carrying More Protection Than Proper

What obligation, if any, attaches to the placing of insurance upon mortgaged property? There have been complaints of farm buildings carrying an excess of fire insurance over sound value, as the result of such insurance being held as collateral security for loans upon the property. It is contended that the mortgages cover both land and buildings, and that the insurance placed upon the buildings only very frequently represents a large proportion of the loan and greatly exceeds the insurable value of the buildings. This condition is said to create an incentive to arson on the part of the owner of the property.

As to whether the condition is exceptional or otherwise we have no available information. We did have a hypothetical case brought to our attention of where there is a property value of, we will say, $12,000, in land and buildings, and where a loan has been placed and a mortgage is held on that property to the extent of about $8,000. The buildings upon the property may have a sound insurable value of about $5,000, for which a policy is issued for $8,000, covering the full amount of the mortgage. Perhaps, in stress of circumstances, the time comes when the owner of the property is not able to meet his interest or to repay a portion of the mortgage, according to his agreement, and he finds it more profitable to get rid of the buildings and clean up his entire mortgage on both buildings and land, and then secure another smaller loan and rebuild with more modern buildings. Such cases are said to have arisen from time to time.

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T. L. MORRISEY, Manager
260 St. James St., Montreal

Fire Protection for Small Villages

Every Village Requires Some Organized System of Fire Protection, Which Need Not be Expensive — Definite Suggestions for Villages of Varying Size and Importance

By HUGH A. CARMICHAEL,
Manager, Lorne Tractors, Tillsonburg.

THE village problem of fire protection was a very trying one until a very few years ago. The manufacturers of fire apparatus were paying full attention to the more expensive equipment, required by the larger towns and cities, who, by reason of their size and resources, were able to finance such. This resulted in the villages being neglected, unless they were able to purchase this heavier and more expensive apparatus. Now, thanks to the wonderful advances made in the simpler construction of the modern gasoline engine, either as a unit, or included in the ordinary automobile or truck chassis, good protection is now within the reach of almost any village, giving them practically all the advantages enjoyed by cities, but on a much smaller size with its lower cost.

Many splendid villages still have the old type of hand pump, which did excellent service, so long as sufficient numbers of willing men could be found to operate it. But usually after one or two somewhat strenuous experiences in its operation, men were ready to let "George do it" next time. With all the hard work involved, the old hand pump did wonderful service and saved much valuable property in its day, when the gasoline engine was in its infancy. Now, as already stated, the small gasoline pump, either drawn by hand or mounted in the standard automobile, or truck chassis, is fast taking its place, just as the binder followed the reaper.

Usually Enough Water

Water supply is often thought a much more serious problem than it really is. In the first place, any village must have some supply of water for domestic use, usually contained in wells, cisterns, etc. In case of fire, several wells may be available within a radius of, say, 500 feet and with a smaller capacity gasoline pumper, throwing a smaller amount of water at a heavy pressure, very effective results follow. Owing to the lightness and compactness of outfits now offered, they may be quickly moved to another well, which is, in most cases, sufficient to smother any ordinary fire, if suitable nozzles are used to conserve the supply of water. Many villages follow the practice of digging cisterns at scattered points throughout the village, from which they get their supply when required. Cisterns are sometimes added at the rate of one or two each year, instead of all in one year, thus providing the supply of water at a low cost divided over a period of years. A fine example of this is found in the village of Delhi, Ont.

Chemical extinguishers are also used, in many villages, with splendid results under some conditions. For instance, if fire is discovered in a building at an early stage, it may be controlled by the use of two or three hand extinguishers, which, however, are not intended where fire has gained much headway, as water alone does the work. Unfortunately most village fires have made so much headway before being discovered that they are usually beyond the stage where chemicals are effective.

The 25 or 35-gallon chemical tank is, however, very effective in connection with the motor-driven gasoline pumper, inasmuch, as it may be used while laying the hose from the pumper. In the city, with its up-to-date fire alarm system, whereby the fire is detected almost instantly, and firemen trained and ready to respond, chemical extinguishers are very efficient, putting out a large percentage of small fires, which, without the city facilities, would be far beyond control by chemicals in the village.

Standard Village Equipment

Summing up this somewhat disconnected article, which is not intended to be in the least "technical," allow me to offer the following suggestions: Every village, no matter how small, should have some organized fire protection. A bucket brigade, with at least 50 pails, painted red and stamped "for fire purposes only," with at least one 30-foot extension ladder, and one 12-foot roof ladder with hooks is a start, for the very small village.

For the larger village, if it cannot see its way clear to buy a gasolene pumper, I would strongly urge at least a hand pump, which is better than the bucket brigade, and effective if muscle can be put behind it. Many otherwise disastrous fires have been controlled by the old hand pump. It is not to be despised, if a village is not in a position to purchase the better gasoline pumper. A few buckets, ladders, etc., should also be a part of the outfit.

For the larger village, in a position to procure better fire protection, I would advise the light motor outfit, mounted on light truck chassis, the pump being driven by the same engine as is used to operate the truck. Naturally this outfit would include ladders, hose, lanterns, axe, etc., with chemicals, if required.

Need Thorough Organization

The next important step is to be thoroughly organized, no matter how small or large the village is. Have a chief and one or two assistant chiefs with the necessary firemen under them, each responsible for his own work, and when fire occurs, you are well prepared. Many of the most efficient firement are to be found in Canadian villages, because the Canadians are always resourceful in any emergency as was proven so many times in the Great War.

All Communities Have Fires

Population	Total 1924 Loss	Per Cap.
Cities over 10,000	$14,959,223	$4.48
Towns 5,000-10,000	3,139,179	6.41
Towns 1,000-5,000	4,006,590	8.03
Villages under 1,000	6,352,804	5.13
Rural districts	17,448,735	4.20
Total	$45,906,500	$5.10

Nothing Here To Boast of

Comparison of Fire Losses in Canada and Great Britain, 1924

Month	Canada	Gr. Britain
January	$4,938,405	$4,285,000
February ...	4,269,247	3,680,000
March	3,951,185	2,494,000
April	3,702,459	8,064,000
May	3,581,163	4,234,500
June	3,474,912	2,345,000
July	3,770,286	1,933,500
August	3,996,476	1,515,000
September ..	3,582,112	1,987,500
October	3,208,395	2,548,500
November ...	3,003,761	1,957,500
December ..	4,428,130	2,160,000
Total	45,906,531	37,204,500
Per Capita	$5.10	$0.87

When Fire Breaks Out in the Village

What Happens When Proper Fire Protection Has Not Been Provided for the Small Community

By HUGH A. CARMICHAEL.

IN EVERY village there are the usual sounds we become so familiar with that in their daily repetition we scarcely hear them. For instance, the church bell rings its usual Sunday morning call to church, or the factory whistle blows every morning, noon and night at its regular hours, but we scarcely realize that the church bell is ringing or the factory whistle blowing, being so accustomed to it. But when that bell goes ding, ding, ding, ding, ding, ding, etc., etc., or the factory whistle blows several long blasts lasting several minutes, at any unusual hour, consternation is in evidence immediately, because this is the warning that a "fire" has broken out in the village, endangering perhaps lives as well as property. Immediately people are rushing out of their homes, some to assist in fighting the fire and others out of idle curiosity. They are in various stages of dress, having been aroused from their slumber.

Following the crowds, (and you scarcely thought there were so many people in the village) we find smoke pouring out of the old bakery, which has served the citizens of the village and the surrounding country for so many years.

By this time, men are rushing here and there without any leadership because this is the first fire that has broken out in eight or ten years, and no one knows where the nearest well is or where they can get even a few buckets to carry water in, until William Jones, who owns the village hardware across the street, comes rushing up and immediately opens the store to give the boys all the pails he has. A bucket line is soon formed and water is being thrown on the fire by the more daring men, who have broken in a door and are doing their very best with the limited means at hand. Soon the fire is seen breaking through the windows and the volunteer firemen are driven back further and further with the smoke and intense heat because the fire had gained so much headway before being seen. Very few people are on the streets in the ordinary village after midnight and had Leo Brown not been out in the country calling on his "sweetie" and arriving home, past the store, had not seen it and given the alarm, by the only means at hand—by shouting fire at the top of his voice and ringing the church bell very rapidly, it might never have been noticed until too late.

All hope of saving the bakery is given up, as by this time it is a roaring mass of flames and an attempt is made to save the adjacent stores. Sparks have fallen on Jones Hardware across the street and some one notices a small blaze up on its roof. Several men rush across but can find no ladder long enough to reach up to it until Henry Robertson, the painter, tells them he has a ladder over at his shop which they can use if they help him bring it over. In the meantime, the blaze is mounting higher and higher, and it seems like hours instead of minutes before they arrive with the ladder, which, by the way, has several rungs out of it, making it very difficult as well as dangerous to carry pails of water up to the roof, where Dr. Wesley, the one whom the citizens have always known as the "best man" in ten counties "at a fire," is already perched on the roof and throwing pails of water on the blaze. A sigh of relief is given as this blaze is put out but in the meantime fires are threatening on every side as sparks ascend from the bakery fire, but willing hands keep all the surrounding buildings dampened, with pails of water. The danger seems past, if the wind holds.

Citizens are gathered in groups on every side, discussing the fire. Archie McCauley and Bill Wiley both said they were the first ones on the scene and if they only had a few pails of water could have put it out, but didn't know where to get them. Charley Pettit said it was about time this "town" was getting some fire protection and if they had anything at all they could have saved the bakery. "What's the use of getting a fire engine until we get more water?" said John Holliday, the village reeve. Charley Pettit said last summer when he was over in Green Village, he saw one of those little hand-drawn gasolene pumpers save the whole village when fire broke out in the hardware store. All the water they had was pumped from the well behind the store, quickly controlling the fire with a small amount of water because it was being pumped at a good pressure by this little pumper and applied just where it was required with little or no waste. George Paine said he was reading in the London Free Press, a few days ago, about what a wonderful outfit the little village of St. George, Ont., had, and though it was only a village of about 500 population, it had a wonderful system of protection with ten or twelve volunteer firemen, who have done wonderful work not only in the village, but the surrounding country, for which they have received several cheques both from insurance companies, and the owners of the property saved, for their services.

This is about the usual conversation heard following any fire and invariably leads to some move towards better protection.

EVERY BUILDING LEFT UNPROTECTED IS A CIVIC MENACE

That is Why All Large Buildings Should Have Sprinkler Systems

By JOHN B. LAIDLAW,
General Manager for Canada, Norwich Union Fire Insurance Society.

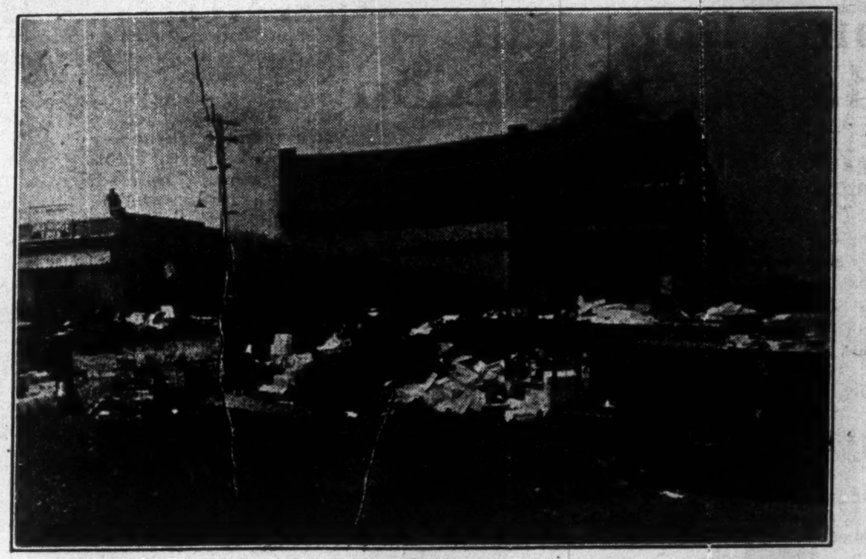
ANY property of the value of $100,000 can save money to the owner if it is equipped with automatic sprinklers. There may be exceptions to that, but speaking generally, I think that can be substantiated.

You may say: It is a very arbitrary thing to say to any individual owner of property, that if he has put up a four or five or six story building, that is the pride of his town or city, and a matter of pride to himself, he should equip it with automatic sprinklers.

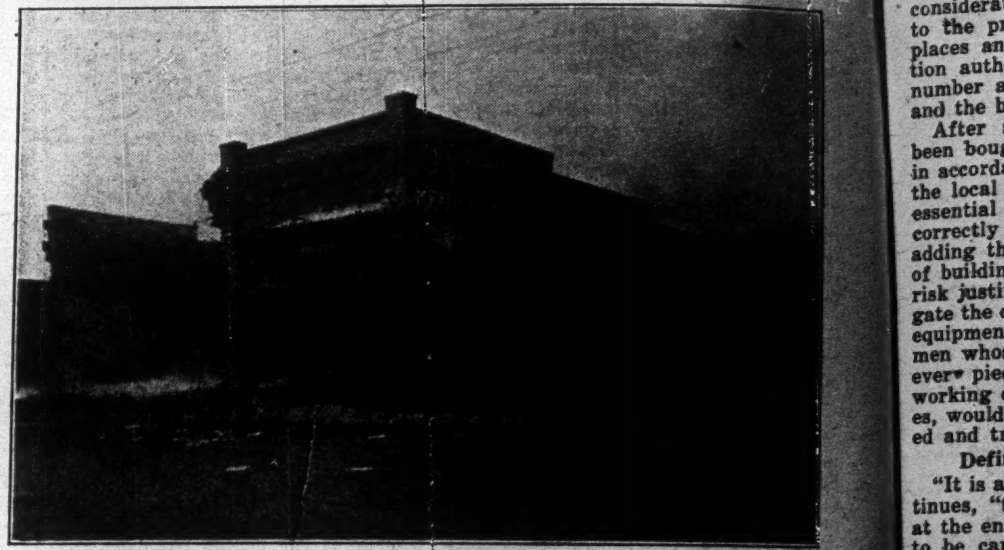
You recognize and civic by-laws recognize that you would not allow a man to build a wooden building occupied for the planing of lumber in the middle of a block in Toronto between King and Adelaide and Yonge and Victoria, or between Yonge and Bay and Adelaide and Victoria. If anybody were to start a planing mill, wooden construction, in that district, you would say he was insane and the civic authorities were insane to permit it because of the danger, not so much that his plant might burn down, but because he would be a menace to his neighbors. In the same way, you would not allow a man to maintain an unsanitary condition on his premises, because he might impair the health of the people living nearby. If there is any justification at all for such a law, you must first recognize the responsibility of the individual owner of property to his neighbors.

Dangerous Fire Traps

It is that responsibility which is recognized in other ways, although we have not yet recognized it in regard to the danger of fire or only to a limited extent. A building of over three stories in height, constructed in the old way of wooden joists and with open stairways and elevators, is a fire trap of the most dangerous kind and especially to its neighbors. Most conflagrations in city districts will originate in just such buildings. If you wish to minimize the conflagration hazard in central city districts, that is one of the most effective things you can do. The hazard in central city districts in many respects has been improved upon in recent years, because buildings that formerly were a menace are now protected. If Eaton's, in Toronto, were not equipped with automatic sprinklers and provided with a force of fire preventive employees such as they have, they would be one of the greatest menaces in Toronto. At the present time they are no danger whatever. They are almost in the nature of a fire check. If a fire were raging on one side of the city, they might possibly stop the fire. They would be a fire stoppage instead of a conflagration breeder. They were effective in stopping the Simpson fire when it started at the corner. With their fire sprinklers and the hose on the roof, they stopped the fire from spreading ac[illegible] the street. If a man has $100,000 [illegible]alue in his hands, it is not his alone, but it is the country's and it is up to him as a citizen to protect from fire if he can. The best means of protecting it is by automatic sprinklers. If he has a large building or large area that is liable to cause a fire to his neighbors, he ought to be stopped from continuing that menace.



Carefulness Would Have Prevented This Fire



These two pictures show a fire that a little carefulness would have averted.

One of the employees in the hardware store, to the left in the above photo went into the coal house, in the basement of the store, to get some coal—the oil supply for the hardware store was also kept in this cellar. On entering the coal house he struck a match to help him in locating the coal and immediately a slight explosion took place and instantaneously flames were seen around the walls of that portion of the building. The fire gained rapidly and the local fire brigade apparatus was inadequate to cope with it, but it was thought that the fire would be confined to the hardware building on account of the brick wall between it and the shoe store, but a bad explosion of oil took place which threw burning oil over the wall onto the roof of the shoe store and both buildings were demolished.

FORESTS BEING DESTROYED

The public seem to lose sight of the fact that the wiping out of great tracts of forests by fire, also means the obliteration to a large extent of our water power, so that the permanency and utilization of this great asset is also jeopardized, threatening not only the development of our industries, but also transportation facilities and the thousand and one other necessaries of life which modern ingenuity has provided for our comfort, entertainment and pleasure.

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GYPROC
Fireproof Wallboard

"What First-Aid Fire Appliances Should I Buy for My Property?"

Here Are Some Tips From an Engineer Who Has Given Broad Study to the Question — The Hand Extinguishers Described

There has been a growing realization on the part of industrial executives that the equipping of their plants with approved first-aid fire appliances is an investment rather than an expense, according to E. J. Smith, engineer in the Underwriters' Laboratories of Canada.

Pointing out that the Underwriters' Laboratories has established a classification system in which fires are divided into three general classes as a guide in the selection of types of extinguisher, Mr. Smith says that owners of plants should take into consideration the problems peculiar to the protection of their individual places and consult with local inspection authorities with regard to the number and type of devices required and the best locations for them.

After suitable extinguishers have been bought and installed in a plant in accordance with the suggestions of the local inspection bureau, the first essential is to see that they are all correctly charged, says Mr. Smith, adding that in plants where the size of buildings and the character of the risk justify it it is preferable to delegate the care and attention of the fire equipment exclusively to one or more men whose sole duty will be to keep every piece of apparatus in first-class working order. These men, he stresses, would have to be carefully selected and trained for this work.

Definite Inspection Periods

"It is a good thing," Mr. Smith continues, "to establish definite periods at the end of which each appliance is to be carefully inspected and tested and then recharged. It is well to have the periodic inspections as frequently as is practicable, but recharging should be done not less than once each year, and in some cases, where there are extreme conditions due to special manufacturing processes, two or three times a year may not be too often. A stock of extra charges should be kept on hand so that after an appliance has been used it can be promptly recharged and put back into service.

"In industrial establishments it has been found advantageous to give occasional demonstrations of the proper methods of operating the several types of equipment the employees may be called upon to use in case of emergency. Those who have tried this feel that the time taken from the productive work for this purpose is well worth while.

Frequently Examined

"The carbon tetrachloride pump gun is probably well known. The maintenance of this type of apparatus does not present any serious problems, providing the proper liquid supplied by the manufacturer is used. The liquid supplied by manufacturers of labeled machines of this type is subjected to periodic examinations by Underwriters' Laboratories to determine its fitness. The freezing point, presence of moisture and impurities, specific gravity and percentages of liquid distilling at various temperatures are all checked against a standard. Many cases of trouble have been caused by the use of water and other liquids than intended, resulting usually in corrosion of the interior mechanism.

"We have been frequently asked to consider small sizes of this as well as other types of hand extinguishers for listing. It has been our feeling that the present standard should not be lowered by the acceptance of smaller devices even though, as is contended, a great many of the fires encountered are controlled by less than the full contents of the extinguisher. It is not difficult to picture a motorist on a country road some distance from a town who has just had a fire caused by the ignition of gasoline from a leaky carburetor. He has succeeded in extinguishing it with about one-quarter of the contents and still has in reserve the balance to protect him should a blaze occur again before he has had a chance to have his extinguisher refilled. There may be plenty of other conditions conceivable when a surplus of the extinguishing agent is desirable.

Carbon Tetrachloride

"The general use of large quantities of the carbon tetrachloride liquid has been the subject of more or less discussion during the last few years. For special service there seems to be a demand in some parts for large capacity machines, a ten-gallon device having been developed by one manufacturer. The possible toxic effects of large quantities of the liquid is a danger which must not be disregarded. At present one machine, having a capacity of one gallon, has been listed for special service where conditions are such that possible dangers from this source will be given due consideration and the necessary precautions taken. The one and one-half quart sizes have often been accused of being responsible for endangering the operators when used on a fire.

"Before such statements are accepted, it is well to remember that nearly all burning materials give off quantities of disagreeable gases which of themselves may have just as detrimental effects on a person breathing them as the bases from the application of the liquid to the fire. Ordinarily there is little cause for concern if such machines are not used in small unventilated and confined spaces. Because of the nature of the extinguishing agent this type is suited for use where temperatures as low as minus 40 degrees are attained.

"In winter the protection of property exposed to freezing temperatures has to be given consideration. Probably the most common appliances for this purpose are the fire bucket tanks or casks, usually with a nest of pails. This particular equivalent has the advantage of simplicity and low cost and when filled with solutions of calcium chloride will afford protection against temperatures as low as minus 40 degrees Fahrenheit. It is necessary to dissolve five pounds of calcium chloride in each gallon of water to provide this degree of protection. The resulting solution has a volume of about 25 per cent. more than the original volume of water taken.

"In addition to the fire bucket tanks there are a great many two and a half and five-gallon hand pumps in use, which may also be filled with calcium chloride solution. It is well to test these pumps frequently, directing the stream into the tank, and to keep the pump mechanism well lubricated with a mixture of graphite and grease. The third type of anti-freeze extinguisher is that in which the extinguishing agent is expelled by internally generated pressure. The machines of this kind which have been listed by the laboratories are suitable for use in temperatures as low as 40 degrees below zero. It is essential with these machines that the special charges furnished by the manufacturers for extinguishers be used.

For Inflammable Liquids

"In industries in which quantities of inflammable liquids are used fire protection is of vital importance. It is for this particular service that the foam type has proved its special merit, although it is suitable as well for fires in wood, paper and similar materials. This type of extinguisher depends upon the combination of two chemical solutions, which produce a foam and at the same time a quantity of carbon dioxide, the pressure of which expels the foam. This foam is of such a character that it floats on the surface of burning liquids and forms a blanket which excludes the air necessary for combustion.

"It is not an easy thing to make foam producing chemicals which will give all the desired results, and consequently users are warned against the purchase of any other foam charges than those recommended for particular machines. Foam extinguishers have been made in various sizes, ranging in the portable machines from three-quarters of a gallon to five gallons in wheeled extinguishers of nominal forty-gallon size, and in stationary systems of almost any size required."

Chemicals Effective

Speaking to The Financial Post, ex-chief Tremblay, of the Montreal fire department, stated that 70% of the fires in that city are put out with chemicals. Those fires that are not dealt with in the first five minutes cannot be put out with chemicals, he stated.

MOST FIRES PREVENTABLE

Fire Prevention Week activities aim to bring to the public a realization of two fundamental facts:

(1) That the fire loss is everybody's loss, for which everybody is responsible.

(2) That the great majority of fires are preventable through the exercise of ordinary carefulness.

FIRE INSPECTION PAYS IN PREVENTING IMPORTANT FIRES

Tentative Plan For Inspection System For Fire Fighting Services

By C. J. DEFIELDS,
Chief, Fire Department, Windsor, Ont.

I WILL try and outline as briefly as the subject will permit the plan of organization, methods used and benefits derived from the system of fire inspection employed by our department.

For the benefit of the chief who has no inspection bureau in connection with his department, a tentative plan of organization might not be out of place, should the idea appeal to him.

In the organization of such a bureau there are a number of essential points that should receive serious consideration. First the passing of the necessary legislation on the part of the city council, in the form of a by-law, authorizing the chief or the men he may name, to do the work. Extreme caution should be exercised in the preparation of this by-law so that it will not conflict with, or is not contrary to any provincial act covering the inspection of buildings for the purpose of fire prevention.

Can Work Without Legislation

Failures on the part of the chief to get the necessary legislation through the municipal body, does not by any means necessitate the abandonment of the plan.

Every chief in Ontario, and I believe the rule will apply to the other provinces, has under the fire marshal's act all the authority necessary to enforce any reasonable regulation pertaining to fire prevention.

Except where the chief personally intends to carry on the inspection work, it will be necessary for him to detail some member of his staff to fill this important position. I say important because the success or failure of the whole scheme will to a great extent depend upon the ability of this man. I know in a great many cities it is customary to appoint men to fill this position who through age or for some other cause have become unfit for active fire service. The position seems to be used as an excuse to keep their names on the pay sheet. It is not my intention to belittle the service of the old-timer. Lord knows he has earned all a thankless public will ever give him, but the man who is laboring under the illusion that youth and activity are not essential to the success of fire inspection, better think again.

Age or length of service cannot be considered. We must sacrifice sentiment if it blocks progress; efficiency and the ability to deliver it must be our motto.

Relationship Between Jobs

I will admit that there is a certain relationship existing between fire fighting and fire prevention, and there are cases where fire fighting experience might be preferable, but it is not at all necessary. Some of the most successful and progressive fire prevention men that I know, never had a day's experience as an active fireman in their lives, yet these men are getting results, and results represent the bulls-eye on our target.

The successful fire inspector must make an exhaustive study of fires and their causes; no hazard should be too small to receive his most earnest consideration. He must have a working knowledge of building construction as it applies to fire prevention. He must be able to recognize a fire hazard where one exists, because what might be considered a fire hazard in a garage would be 100 per cent. safe in some other building. We all admit that the successful fire prevention officer must take pride in, and love the work. He must at all times try and convince the other fellow that he is working for his interest, carry on in the face of criticism and opposition, and have patience of a mother and the tenacity of a bull pup.

Where to Start From

Some time ago a chief from a nearby city asked me this question: When you start out to inspect a building for fire hazards, what method do you use? Where do you start, and what do you look for? Perhaps you may think this man should have known the answers without asking me the questions. But as this man had no inspection service in connection with his department, the questions were perfectly natural from one who was looking for information. While different buildings present different hazards, the method of locating them amounts to about the same thing.

When making an inspection of a building for fire prevention purposes, I would advise starting at the top floor. The average inspector seems to think that the basement is the chief danger point, with the results that the upper floors do not receive the consideration they deserve. I will agree that the chief danger will usually be found in the basement, nevertheless I have found a few bad eye-openers up near the roof.

Only a few days ago, while going over a five-story building I found about five gallons of gas in an open tub that had been used to clean elevator machinery. This tub with the usual number of oiley rags had been left in the elevator pent house, and is a fair example of what you may find if you go high enough. Had I started in the basement to inspect this building I probably would have been tired out by the time I reached the top floor and the gas would still be there, or building and gas would both have disappeared.

What to Look For

Now for the answer to the remainder of the question, what do you look for? I do not think that a fire inspector's duties end with the protection of property. The protection of life should be the first consideration. The inspector should see that exits and fire escapes are adequate to handle the situation should a fire occur in the building in question. He should note the location of skylights or roof scuttles or any other means of venting should the occasion arise. I might say that I consider it good policy to have another member of the department accompany the inspector on his rounds. In this way, the department as a whole will gain a knowledge of the floor plans and contents of the different buildings that will be of great value in time of fire. After the inspection has been made, the hazards noted and considered, it will be up to the inspector to recommend the change necessary to make the building safe.

There are two ways to approach a man when you are seeking his co-operation in fire prevention work. Some men start off by telling him what they will do to him if he does not immediately carry out their orders. Another way is to try and show him how much he will gain by following your instructions. I think this is far the better way. Remember you are asking a man to do something that at first does not appeal to him at all. He cannot see where he is getting value for his money. It is up to you to show him; it is up to you to convince him that every dollar he spends in fire prevention is a dollar well invested; it is merely a matter of education. You are acting as a salesman for a safety principle, the article you have for sale is a bargain at any price and your ability as a salesman will be the measure of your success.

Inspection Does Pay

I know that there are members of this association who do not believe in fire inspection, and I have often been asked the question, Does it pay? How many fires do you prevent? I cannot for the life of me see why every man in the fire fighting game is not a booster for inspection. If I were asked to change the routine of fire department practice of the present day, I would say, make every other man a fire inspector. If a man does not believe in fire inspection, he cannot have very much faith in other preventive measures. Law enforcement officials by removing certain causes prevent crime. City health boards by improving sanitary conditions prevent disease. Safety leagues are covering the country with literature to prevent death and injury from accidents, by removing the cause. Why do they do it? They do it because they have found by experience that prevention is the one effective medium that will bring results.

We, as chiefs, through investigation, have learned the cause of hundreds of fires, and I think that you will agree with me that the hazard that has caused one or more fires will be pretty sure to cause another. Knowing this to be a fact and not a theory, is it unreasonable for me to assume that by the elimination of these hazards you will lessen the number of fires and thereby reduce the loss?

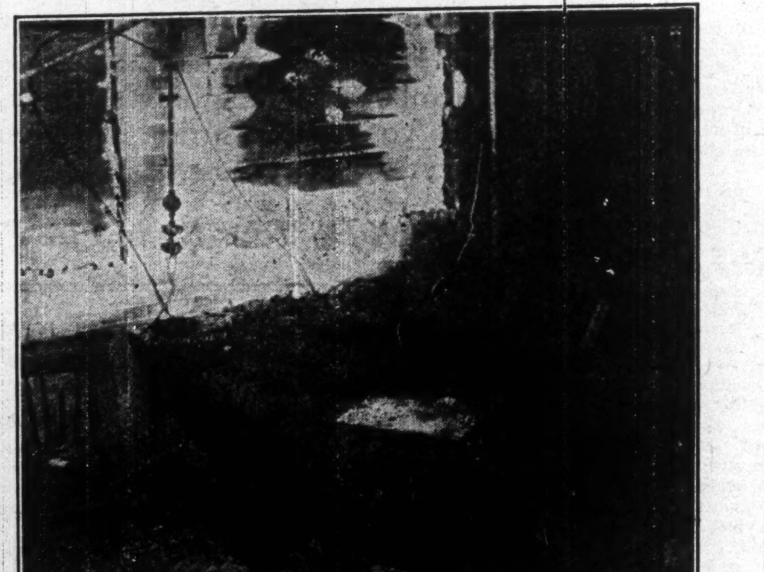
SPRINKLERS IN HOTEL

The automatic sprinkler has proven itself to be the most reliable and satisfactory fire extinguishing device in use when properly installed in factories, warehouses, stores, hotels, schools, hospitals and other public institutions, with sufficient water supply at proper pressure, and the equipment maintained in a constantly operative condition.

A new hotel in California equipped with automatic sprinklers, wishing to give assurance to its guests, has placed a card in each room on which is printed the following verse:

"When you lie down for restful sleep,
Sprinkler heads their vigil keep,
If fire occurs don't be concerned,
You may get wet, but you can't get burned."

Someone Forgot; Cost $300,000



Getting back to our Nursery rhymes, "This is the picture of the table, that held the iron, that started the fire, that burnt the Northern Shirt Company of Winnipeg, Manitoba."

Someone forgot to turn off the current, and the iron smouldered on the table, burnt its way through to the floor, and started a fire which did $300,000 damage.

Electricity was one of the leading causes of fire in 1924, not uncontrollable lightning, but such things as faulty wiring, pennies substituted for burnt-out fuses, and currents left on in electric irons. Canada's fire waste is $50,000,000 annually, 80 per cent. of the losses due to pure carelessness, the majority of them are preventable.

Property destroyed by fire is a direct economic loss to the country; insurance does not replace. Reduction of our fire waste means reduction of our insurance rates.

Fire Prevention is Good Citizenship.

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The records of the Standard Rate and Data Service, based upon information supplied by publishers themselves, quote the circulation of Canadian financial papers as follows:

The Financial Post—Net paid A.B.C.	7,636
Second paper—Total. Not sworn	7,270
Third paper—Total. Not sworn	5,119
Fourth paper—Total. Not sworn	3,748
Fifth paper—Total. Not sworn	2,800
Sixth paper—Up-to-date circulation figures not available.	

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The Standard Rate and Data Service is recognized as the most authoritative record of circulations of publications. The Audit Bureau of Circulations is the dependable auditor of publisher's claims.

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Is Your Community Above or Below Average In Its Fire Loss Record?

Here Are the Per Capita Fire Loss Figures for Canadian Towns and Cities — The Record Shows Where the Most Dangerous Fires Break Out

Per capita fire losses in Canadian communities are shown in the tables below. **Bold-face figures** indicate that the record is over the Canadian average of $5 per capita in one year.

Cities of Over 10,000 Population

Per Capita Loss

MUNICIPALITY	1924	1923	1922	1921	1920
Ontario—					
Belleville	2.26	2.41	1.43	1.51	3.40
Brantford	1.33	**8.91**	0.81	1.91	**6.27**
Chatham	0.96	0.64	1.74	**8.48**	0.94
Fort William	**16.33**	**20.76**	**37.25**	**5.50**	2.86
Galt	**5.93**	**14.16**	0.39	0.28	0.79
Guelph	0.46	1.69	2.93	**25.45**	1.79
Hamilton	**7.42**	**6.06**	1.90	**6.69**	3.63
Kingston	**14.02**	**21.30**	**7.33**	1.30	**6.01**
Kitchener	0.16	3.20	1.16	2.04	0.99
London	3.77	**7.71**	**5.83**	3.82	4.86
Niagara Falls	**8.01**	1.51	2.37	0.93	nil
North Bay	4.98	**6.67**	**5.35**	0.90	2.49
Oshawa	0.18	0.74	**7.09**	0.65	0.59
Ottawa	4.61	3.22	4.20	**5.41**	**5.09**
Owen Sound	1.35	1.15	**16.95**	2.92	0.56
Peterboro	1.25	**7.06**	1.07	0.50	1.46
Port Arthur	3.91	2.46	2.64	**14.84**	**9.53**
St. Catharines	0.40	1.16	0.66	0.37	0.87
St. Thomas	0.73	1.12	0.38	0.96	1.29
Sarnia	2.12	0.48	**10.16**	2.36	1.16
Sault Ste. Marie	**9.72**	**6.86**	**7.73**	2.83	2.21
Stratford	0.89	**5.17**	**9.50**	3.00	0.22
Timmins	0.97	1.79	0.83	4.19	**18.05**
Toronto	**6.01**	**5.74**	2.81	3.79	4.04
Windsor	1.61	3.96	**9.53**	3.09	0.24
Woodstock	0.15	2.44	0.04	3.83	1.33
Quebec—					
Chicoutimi	**6.61**	1.26	4.56	**15.85**	1.08
Hull	0.85	1.31	4.49	3.33	0.90
Joliette	2.41	**11.02**	3.19	**26.07**	1.81
Lachine	3.18	4.90	2.05	2.09	1.00
Levis	1.04	1.94	**12.74**	**31.27**	0.48
Montreal	3.88	**5.20**	4.94	3.87	**6.03**
Outremont	1.30	**5.47**	2.29	0.79	0.96
Quebec	**5.81**	**8.23**	**10.34**	**7.04**	**6.52**
St. Hyacinthe	1.00	2.51	0.77	1.58	0.89
Shawinigan Falls	0.82	1.22	0.96	3.28	1.54
Sherbrooke	3.10	1.34	3.80	1.73	0.94
Three Rivers	2.27	2.15	1.07	1.84	1.79
Verdun	0.89	0.45	1.71	1.33	0.54
Westmount	**6.05**	0.53	4.14	1.21	1.14
Manitoba—					
Brandon	1.57	1.70	1.05	4.30	**8.20**
St. Boniface	0.52	**16.63**	**55.53**	1.73	0.68
Winnipeg	**5.78**	**8.34**	**6.99**	**6.84**	**42.86**
Saskatchewan—					
Moose Jaw	4.90	0.93	3.75	3.06	**5.56**
Regina	1.04	2.69	1.81	**5.33**	2.11
Saskatoon	**5.19**	2.97	**5.64**	**9.17**	1.48
Alberta—					
Calgary	1.44	**5.43**	3.42	4.78	4.37
Edmonton	**5.55**	**5.39**	**6.43**	2.55	2.29
Lethbridge	1.02	1.20	**14.08**	**6.22**	1.40
Medicine Hat	4.75	**8.96**	**10.80**	1.51	**8.01**
British Columbia—					
New Westminster	1.31	**9.30**	1.38	1.96	3.64
Vancouver	**8.86**	4.78	2.83	2.54	3.10
Victoria	1.22	4.08	**7.74**	0.78	0.96
Nova Scotia—					
Amherst	3.25	**6.23**	4.45	1.06	1.76
Glace Bay	1.44	**7.13**	2.98	3.22	4.27
Halifax	2.10	1.17	4.92	**7.01**	**10.33**
Sydney	1.23	**11.71**	**9.12**	**11.11**	**9.87**
New Brunswick—					
Moncton	**9.00**	**5.95**	**15.07**	**7.07**	**17.17**
St. John	3.70	3.12	**5.77**	**10.78**	1.66
Prince Edward Island—					
Charlottetown	4.90	**5.45**	**13.52**	3.91	2.43

Towns of 5,000 to 10,000

Per Capita Loss

MUNICIPALITY	1924	1923	1922	1921	1920
Ontario—					
Barrie	**13.55**	1.20	**5.48**	2.05	1.87
Brockville	1.08	**6.27**	2.45	3.61	3.88
Cobalt	**65.69**	2.33	**20.36**	1.31	0.64
Collingwood	4.24	3.07	1.86	3.15	1.00
Cornwall	1.39	**5.79**	0.68	0.64	1.61
Dundas	0.32	3.58	**12.87**	1.80	1.36
Eastview	3.86	1.74	3.07	....	0.94
Ford City	1.19	1.32	2.14	1.11	1.00
Goderich	0.46	0.89	1.55	**25.12**	0.42
Hawkesbury	**27.27**	1.40	**10.56**	....	0.24
Kenora	**17.41**	1.94	**7.27**	2.15	**5.08**
Lindsay	**11.19**	1.49	0.52	1.05	2.27
Midland	4.51	3.69	**45.50**	**8.73**	nil
Orillia	2.94	2.06	....	....	....
Pembroke	**6.05**	3.07	**6.16**	**5.42**	**7.63**
Preston	3.33	**5.41**	0.14	1.93	0.71
Renfrew	**8.52**	**21.27**	3.09	1.58	2.74
Sandwich	**5.38**	1.48	0.21	....	....
Smiths Falls	**7.77**	0.53	**7.50**	3.32	0.72
Sturgeon Falls	2.60	4.77	**24.65**	....	....
Sudbury	2.86	**15.97**	**10.15**	**10.43**	**6.08**
Thorold	4.73	3.00	1.60	2.01	1.66
Trenton	4.84	**5.68**	2.13	2.63	2.06
Walkerville	2.19	0.69	1.87	3.27	0.15
Wallaceburg	1.36	2.14	0.81	2.29	0.50
Waterloo	0.02	**8.76**	1.43	0.94	4.72
Welland	2.88	1.90	**19.07**	....	....
Quebec—					
Cap de Madeleine	3.38	2.77	**9.86**	....	....
Granby	1.82	**9.11**	1.12	1.01	0.06
Grand Mere	0.94	0.14	3.28	0.98	2.60
Jonquiere	0.77	**9.57**	0.87	2.29	0.33
La Tuque	**14.16**	**6.08**	**5.99**	3.85	2.00
Longueuil	0.60	4.33	0.94	0.31	0.79
Magog	0.18	0.51	**15.04**	0.11	0.46
Montmagny	1.20	**5.50**	0.05	nil	0.11
Riviere Du Loup	**6.15**	**7.44**	1.67	1.57	2.63
St. Jean	**16.23**	0.65	0.49	0.82	nil
St. Jerome	0.49	0.42	0.49	**5.75**	2.89
St. Lambert	**20.4**	.89	2.06	0.61	**11.00**
St. Laurent	0.50	4.53	1.05	....	....
Sorel	0.59	**6.29**	3.64	**7.29**	0.58
Thetford Mines	**5.32**	**32.40**	**8.61**	0.96	nil
Valleyfield	**7.43**	0.16	1.25	0.93	2.29
Manitoba—					
Portage la Prairie	4.62	3.01	**44.55**	3.20	0.85
Saskatchewan—					
Prince Albert	1.85	2.38	**5.77**	**5.54**	1.54
Yorkton	**15.32**	**10.80**	**18.18**	**16.08**	2.58

Per Capita Loss

MUNICIPALITY	1924	1923	1922	1921	1920
British Columbia—					
Fernie	4.77	2.84	**6.10**	1.00	0.20
Nanaimo	0.27	1.22	0.95	2.62	0.10
Nelson	0.90	0.38	4.60	2.61	1.94
North Vancouver	0.26	**10.00**	0.44	0.62	1.44
Prince Rupert	0.62	3.81	1.32	....	....
Nova Scotia—					
New Glasgow	1.46	**13.16**	1.84	2.41	**13.09**
North Sydney	**58.53**	**6.30**	3.49	1.11	**23.54**
Springhill	0.38	0.86	2.12	0.26	2.48
Stellarton	**5.09**	0.83	0.72	1.63	1.81
Sydney Mines	**20.62**	1.31	0.55	**11.34**	**5.69**
Westville	3.86	1.05	1.20	0.38	**5.66**
New Brunswick—					
Campbellton	**5.73**	**5.12**	**7.32**	1.36	2.47
Fredericton	**11.04**	3.59	**11.33**	2.56	0.82
Sackville	1.16	4.06	**5.89**	2.00	0.36
Newcastle	**28.62**	1.62	0.58	**363.74**	0.85

Towns of 1,000 to 5,000

Per Capita Loss

MUNICIPALITY	1924	1923	1922	1921	1920
Ontario—					
Alexandria	0.30	**5.80**	**13.84**	**59.43**	3.78
Almonte	0.68	**60.00**	0.27	2.26	1.24
Arnprior	4.49	**18.93**	**9.96**	**8.28**	1.97
Aurora	1.80	1.08	0.08	Nil	**14.21**
Aylmer	1.47	Nil	**6.64**	1.95	2.54
Blenheim	**8.00**	2.85	0.03	4.14	0.38
Blind River	0.15	**5.00**	0.71	1.11	Nil
Bowmanville	4.85	3.82	0.03	**5.48**	4.09
Bracebridge	**10.34**	3.52	0.88	0.82	**8.09**
Brampton	1.20	2.62	4.77	2.00	4.05
Bridgeburg	0.71	**23.93**	1.52	....	**6.13**
Burlington	1.80	0.20	1.56	3.80	0.82
Campbellford	0.42	1.36	0.95	0.03	1.66
Capreol	3.22	**40.30**	4.43	**21.82**	**27.26**
Clinton	2.17	3.09	1.69	0.10	0.30
Cochrane	0.24	2.91	0.28	0.69	3.86
Copper Cliff	**8.01**	4.27	**62.71**	**8.43**	**6.49**
Deseronto	0.39	0.71	0.54	0.36	3.40
Dunnville	1.11	**27.60**	0.78	**8.93**	1.98
Durham	**7.20**	1.33	0.13	Nil	0.23
Englehart	3.52	**14.00**	**45.00**	....	....
Essex	3.84	**9.79**	3.69	3.33	0.94
Fort Frances	3.63	**11.23**	1.19	**97.38**	**13.18**
Gravenhurst	2.00	**6.00**	**11.14**	0.10	0.95
Ingersoll	0.46	1.55	....	....	....
Keewatin	1.09	**5.55**	1.54	Nil	3.42
Kincardine	0.62	3.34	3.33	**13.69**	**14.11**
Kingsville	1.82	4.48	0.34	**83.47**	1.25
Listowel	0.55	**5.94**	....	**11.42**	**6.74**
Mattawa	1.53	3.37	0.05	0.04	3.79
Meaford	**16.66**	1.01	0.82	**14.73**	**6.08**
Merritton	**7.00**	1.41	2.29	**5.80**	2.98
Milton	0.01	1.59	3.07	Nil	0.10
Mitchell	1.53	**8.92**	0.49	2.96	2.04
Napanee	1.06	1.83	2.88	2.08	4.41
New Liskeard	**13.80**	**7.63**	3.23	1.33	0.50
Niagara-on-the-Lake	0.20	1.49	3.37	0.72	Nil
Oakville	0.44	**59.72**	4.28	2.45	**21.67**
Parkhill	4.15	3.46	0.02	0.12	1.30
Parry Sound	3.50	2.13	3.01	**59.21**	2.88
Penetanguishene	**7.01**	**86.10**	**13.05**	**26.83**	4.20
Petrolia	2.62	3.16	**5.26**	....	....
Picton	0.57	2.42	3.49	0.41	0.99
Port Colborne	0.50	1.61	**11.86**	Nil	2.98
Prescott	3.34	0.71	1.08	2.45	0.78
Rainy River	1.88	2.51	....	....	....
Richmond Hill	**7.94**	0.54	Nil	2.91	Nil
Ridgetown	0.54	0.28	0.35	3.88	0.28
Rockland	**10.39**	0.57	0.24	**6.25**	Nil
St. Marys	1.67	1.14	6.17	**24.11**	Nil
Seaforth	**10.81**	1.56	0.63	1.44	[illegible]
Simcoe	1.60	1.66	0.58	0.16	Nil
Sioux Lookout	1.71	4.81	**8.87**	**7.63**	Nil
Southampton	1.16	Nil	0.22	1.25	[illegible]
Stayner	**26.90**	1.33	2.88	**12.21**	[illegible]
Strathroy	**6.05**	3.09	2.68	**7.65**	[illegible]
Tecumseh	3.35	**11.20**	2.21	....	
Thessalon	0.27	0.40	0.91	1.31	[illegible]
Tilbury	0.34	0.28	Nil	2.29	[illegible]
Tillsonburg	1.58	2.28	3.50	2.25	[illegible]
Vankleek Hill	2.76	2.50	**6.33**	2.66	Nil
Walkerton	1.53	0.18	....	....	
Weston	0.79	0.12	0.35	**6.44**	[illegible]
Whitby	0.20	1.33	0.39	3.40	[illegible]
Wiarton	**5.35**	**7.63**	....	....	
Wingham	....	1.20	0.15	2.84	[illegible]
Quebec—					
Aylmer	1.47	1.63	....	1.95	[illegible]
Baie St. Paul	**18.18**	**18.39**	1.80	2.79	[illegible]
Beloeil	**7.69**	3.40	**6.59**	0.86	[illegible]
Berthierville	**6.56**	0.55	**6.42**	4.38	[illegible]
Coaticook	0.71	**25.98**	2.33	1.99	[illegible]
Cookshire	0.70	1.80	Nil	4.00	Nil
Drummondville	**8.80**	**5.35**	3.82	**73.21**	[illegible]
Farnham	0.78	0.20	0.33	**7.15**	[illegible]
Iverville	0.64	0.40	Nil	**36.02**	Nil
Laprairie	0.02	Nil	0.24	0.50	[illegible]
Lauzon	1.10	**67.43**	0.98	0.60	[illegible]
Marieville	0.16	0.55	Nil	0.17	Nil
Megantic Lake	1.09	0.88	0.88	0.25	[illegible]
Pointe Aux Trembles	0.38	2.11	**79.40**	0.45	[illegible]
Pointe Claire	4.04	**61.50**	0.87	0.12	Nil
Rimouski	1.75	4.28	**7.66**	0.05	[illegible]
St. Anne de Bellevue	2.48	3.21	**5.40**	1.87	Nil
St. Agathe des Monts	0.21	**123.81**	1.13	**10.71**	Nil
St. Therese	**10.09**	0.52	1.48	0.03	[illegible]
Victoriaville	**11.52**	1.21	1.70	1.15	[illegible]
Manitoba—					
Beausejour	0.50	**32.45**	**8.18**	0.60	[illegible]
Carman	**10.17**	1.18	1.16	0.02	Nil
Dauphin	3.25	1.15	0.52	0.91	[illegible]
Emerson	3.72	**25.73**	0.16	0.10	[illegible]
Killarney	0.18	1.50	0.63	1.70	[illegible]
Minnedosa	1.11	**7.80**	**7.35**	Nil	[illegible]
Morden	**8.52**	....	0.46	....	
Neepawa	0.22	2.53	0.50	0.38	[illegible]
The Pas	0.30	0.57	1.12	3.61	[illegible]
Tuxedo	**8.48**	3.00	**10.31**	....	
Virden	0.46	2.48	Nil	0.35	[illegible]
Saskatchewan—					
Battleford	1.45	0.12	**27.21**	0.63	[illegible]
Biggar	1.10	1.87	1.31	Nil	Nil
Broadview	**138.00**	0.60	2.70	0.83	[illegible]
Estevan	3.00	Nil	0.85	....	
Gravelbourg	2.91	4.16	**10.33**	0.33	Nil
Gull Lake	0.40	0.35	**21.12**	**14.70**	[illegible]
Humboldt	1.05	4.47	0.08	0.16	[illegible]
Indian Head	0.52	0.13	0.03	Nil	[illegible]
Kamsack	2.97	**5.54**	4.80	**33.63**	[illegible]
Maple Creek	1.57	0.81	Nil	0.21	Nil
Melfort	1.74	**6.74**	**21.18**	2.07	[illegible]
Moosomin	0.33	0.04	Nil	Nil	Nil
North Battleford	**5.04**	0.82	**5.61**	0.10	[illegible]
Rosetown	1.20	Nil	Nil	Nil	[illegible]
Rosthern	**14.46**	4.16	....	....	[illegible]
Swift Current	1.16	1.34	**6.15**	0.23	[illegible]
Weyburn	0.20	1.51	0.42	1.81	[illegible]
Wolseley	2.85	**31.46**	0.88	0.41	Nil
Alberta—					
Beverley	**9.30**	3.91	**5.97**	4.70	[illegible]
Cardston	0.92	**12.28**	1.98	1.29	[illegible]

(Continued on page 31)

FIRES IN QUEBEC'S FORESTS BURNED UP 200,000 ACRES

Province Has Total Area of 130,000,000 Acres of Wood

During the year 1924, 202,262 ¾ acres of timber were destroyed in the province of Quebec; merchantable timber, with 67,707.75 acres, easily headed the list, according to the first annual report of the Forest Protection Service, issued last week by Henri Kieffer, chief of this branch of the provincial government. In all there were 636 fires during the course of the year, of which 186 were slash fires, 56 caused by railroads, 54 by lightning, 15 unextinguished fires, 63 caused by hunters and fishermen, 96 by travelers and smokers, 45 by forestry workers, three by men working on the province's roads, and 118 set down as being due to unknown causes.

The report, which covers more than fifty printed pages, and contains numerous illustrations and diagrams, outlines the laws in connection with protection of the forests against fires in the province of Quebec, and in Canada, and also contains a statement as to the forest wealth of the province.

The forestry domain of the province, in which protection should be exercised with the most attention, covers 130,000,000 acres, Ungava and Labrador omitted, of which 76,500,000 acres of forest are Crown lands, the protection of which falls under the department.

Nearly 4,000 Rangers

Practically another 3,000,000 acres have to be patrolled by the forest protection service, contained in the mining districts, 90 per cent. of which is in Abitibi and Temiskaming. In addition to this, 8,000,000 acres, split up into colonization districts, are also looked after by the service.

Last year there were 3,385 fire rangers employed in the province, an increase of 1,368 over the preceding year, while 143 observation towers were erected at various spots in the province during the year.

Experiments were made with the radio-telephone in the forests, but the results have not yet been sufficiently extensive to permit the use of this means of rapid communication.

Nearly ELEVEN MILLION Dollars

Quebec Province's Fire Loss in 1924

(Not Including Forest Fire Loss)

This is over 24 per Cent. of Canada's Total Yearly Loss!

CITIZENS of Quebec Province, you can through personal attention to fire protection in your home, your office and your community lower this appalling yearly economic waste.

See that you have ample means to prevent fires both in your home or at your place of business, and in your community.

Remember burned wood in buildings replaced by local timber further needlessly depletes our great forest resources.

Remember your neighbor's fire costs YOU money—due to your fire insurance premium being based on the average yearly loss.

Always Do Your Bit in Fire Prevention Work

The Department of Lands and Forests of the Province of Quebec does its part, through its Forest Protection Service, to keep down the burden of loss by fire in our forests. Over 3,000 fire rangers patrolled the forest lands in 1924. Scores of observation towers enable large areas to be surveyed continuously.

Save Our Forest Wealth, Too, When in the Woods by Your Personal Carefulness, or Seeing That Your Instructions are Carried Out.

Hon. Honore Mercier, Minister of Lands and Forests
Province of Quebec, Parliament Buildings, Quebec

Gary Tells Rules for Success

Steel Magnate Tells Young Men What is Necessary to Reach the Top in Business To-day — Opportunities To-day Are as Great as They Ever Were in History — Advises a Good Education

By JUDGE E. H. GARY,
Chairman, United States Steel Corporation.

JUDGE E. H. GARY.

THE requisites of business success are not a new discovery. They are simple and generally known and understood, but they are not always totally acknowledged, adopted or applied by the business man. In fact, some of them are ignored, if not defied, by many on the supposition that temporary advantage or results, is a justification, and they need to be recalled and emphasized.

Science itself is simple, for it is accumulated and accepted knowledge, however discovered, systematized and formulated with reference to fundamental truths or the operation of general laws.

If then the young man is desirous of succeeding in the effort to acquire a living or a competency for himself or others who depend or rely upon him, obviously he should carefully consider how best to fulfill his obligations to himself and others.

Should Be Approachable

He should at the outset determine in what way he can popularize himself or his business; how he can make himself agreeable and approachable to those with whom he comes into contact. Everyone has a choice of persons and place in regard to intercourse that involves any kind of business and selection is made depending upon desirability, confidence and advantage.

If one is seeking customers in any department of human activities, one should do everything reasonable to attract attention and then supply what is wanted. To do this one should adopt and conscientiously apply certain standards of propriety. Included in the rules for guidance are many things which should go without saying.

Good Education Needed

First of all, of course, a man should have a good education. He should be well grounded in the rudiments, including spelling, writing, grammar, arithmetic, history and geography. Then the more he learns from books or from teachers the better. A good college education, including the classics, will be advantageous. Knowledge of foreign languages is advisable. In fact, the more he knows of that which is taught in schools, colleges and universities of a general character, the better it will be for him in commencing business.

If he has determined upon the calling he expects to adopt, he should pay particular attention to that subject while he is at school. Especially should he, if possible, take a course in the commercial department of a good institution of learning, if he intends to engage in commercial activities. Many things are taught in these departments which are practical and exceedingly helpful for the business man.

Pick Career Carefully

One should select an occupation or business with great care and thoughtful consideration, and then stick to it, and push it in every legitimate manner, without change, unless for good reason and a certainty of better results. When one has decided upon a business or profession, it is wise to concentrate and not scatter so far as one's personal activities are concerned. It is better to have one line of business well attended to than to have a number that are more or less neglected.

Many bad failures result from ignoring this plain principle of economics.

"As to investments, if one can afford to make them, it is admissible to distribute them, provided they do not require personal attention, and if the business involved is under the management of others known to be competent, honest and successful. One ought not to borrow money in order to make an investment or for any purpose whatever unless there is a certainty that it can be paid when it becomes due without sacrifice to one's individual business or capital. The most successful in business are those who have persistently devoted their personal time and attention to the concentration and improvement of one line of activity.

Then a man should always, so far as practical, be absolutely clean and healthy, mentally, morally and physically. His habits should be above reproach. There may be a good excuse for not having the best of furnishings or dress. There can be none for not being clean. He ought to know himself; to study himself, to look into his own heart and mind and conscience. This for his own good and also because every one he meets will respect him and enjoy his company.

He carries with him evidence of a clear conscience and a desire to regard the feelings of others. To the extent that he cares for the proprieties as applied to himself he shows that he considers the interests and susceptibilities of others. A clean and healthy man will be better liked, more readily trusted. At the first meeting with another he begins to establish a good reputation. These qualities speak loudly and convincingly.

No Excuse for Negligence

A man should be diligent, never intentionally negligent. He should keep his appointments punctually and fulfill his promises. He should, by study and, what is even better, by careful thought, furnish the best of whatever is to be provided in goods, in advice or in service. There is no excuse for unnecessarily offering anything that is second-class. If on any occasion it should be impossible to provide what is the best of its kind, it would be advisable to frankly state the fact and the reason.

Everyone should, so far as humanly possible, be up to date in everything pertaining to his occupation, and should be fully informed concerning the best and the latest development.

Golden Rule Advised

A man should be reasonable, fair, patient and in all respects maintain and exercise a good disposition toward every other person. He should endeavor to make friends and avoid making enemies. This includes competitors, teachers and students, clients and customers, employes and employers, borrowers and lenders and the general public. He should not live for himself alone. He should acknowledge and practice the principles of the golden rule.

He should be a loyal, patriotic citizen, devoted to country, respectful to public officials and faithful in the observance of all laws so long as they exist. Such a man will be entitled to and will secure the respect and confidence of all others, emphatically those with whom he comes into business communication.

Avoid Exposing Ignorance

Much of large business is negotiated. Many of the biggest commercial transactions result from discussions between two or more persons, dealing at arms length, having no fixed prices or exact basis for measuring or valuing and depending entirely upon reaching an agreement which is mutually satisfactory, or at least acceptable. Neither side is under moral obligation to expose what is in the mind as an ultimatum or maximum.

In such cases there is no reason for disclosure of the mental operations, though, of course, there can be no justification for misrepresentation or fraud of any kind. Here is opportunity for discretion and sagacity. A wise father used to say to his sons: "Remember as you go through life every man you meet in business is a little smarter than you." This idea is worth remembering.

Don't Talk Too Much

The average man talks too much, especially if he has a good command of language. It is well to let the other man talk half the time. Each one is trying to "size up" the other before naming figure or stating final conclusions. "A wise man keeps a close mouth." In an extended discussion the experienced and wise man, if he is a good listener, is able to determine with considerable accuracy something of what is in the mind of the other man. One should carefully weigh every word that is uttered by oneself and by the other person, as well, and in doing so can also form an intelligent opinion of the integrity of the other and the reliability of a statement that the offer made is the "last dollar" that will be paid or accepted, as the case may be.

Thus it will be noted, on reflection, that one can be truthful and specific in a business transaction, and perhaps at the same time save a good deal of money by silence and discretion. Also, it is seen how much larger salary a man can earn, and will probably receive, if he is patient, wise and well educated. It is well for a young man to listen to negotiations in big transactions by experienced elders if opportunity is presented.

These Rules Have Made E. H. Gary a Millionaire

Be approachable.
Get a good education.
Select your occupation with care and stick to it.
Be clean and healthy, mentally, morally and physically.
Be diligent; keep appointments and promises.
Be reasonable, fair, patient and exercise a good disposition.
Make friends; avoid making enemies.
Follow the golden rule.
Be patriotic; respect officials; observe the law.
Be honest.

Honesty is Essential

Last of the qualities to be mentioned at this time, and as of the highest importance and consequence, a man, whatever his occupation, should be absolutely honest. Akin to honesty is accuracy in representation and statement. His word should be as good as his bond. If he is a statesman, clergyman, instructor, doctor, lawyer, dentist, artist, financier, merchant, manufacturer, artisan, miner, workman, or is engaged in any other occupation, and has firmly established a reputation for being unqualifiedly and uninterruptedly honest, he is thereby possessed of a large capital, which gives him a decided advantage over others whose reputation for integrity is in question.

If one is desirous of consulting or transacting business with another, the perfectly honest and truthful person is first selected, all other things being equal. This is the rule, and there are few, if any, exceptions. You may sometimes hear the contrary of what has been urged. Occasionally a man believed to be dishonest has appeared to be pecuniarily successful in business, temporarily, at least, but almost invariably, if not always, it is not real success, or is much less than it otherwise would have been. As business is the biggest thing, or one of the biggest things, in the world, honesty is surely the biggest thing in business.

Made Lincoln a Success

Abraham Lincoln, "Honest Abe," would not have been a success as president except for his reputation for honesty. In the earlier months of his service as president, he was bitterly, outrageously assailed by his enemies, and by some who professed to be and should have been his friends; but because he was honest and had confidence in his own integrity of purpose, and had demonstrated to his old acquaintances many times that he was honest and fair and truthful, his reputation was established and he triumphed over every charge of dishonesty.

Notwithstanding the great volume of business which is connected with governmental administration, especially in war times, few persons, if any, ever charged Lincoln with being dishonest with regard to the government's business or otherwise. With all his mentality, his ability to clearly and beautifully express his thoughts, and his unbounded sympathy towards those who suffered, his greatest quality was his instinctive unswerving honesty.

We have to-day in this country leading statesmen who likewise are thoroughly honest, and they will succeed to their satisfaction and ours.

It is deemed appropriate to mention the name of Marshall Field, "the merchant prince of Chicago," who died a score of years since, leaving more than $100,000,000, a large part of it for the public welfare. He started business life with very little, if any, money or property capital, but he built up a reputation for being unqualifiedly honest and exact; and he was all of that, as many of us know to a certainty.

Every person at any time desiring anything Field sold, went there because he knew every price was based on quality and service, and that every promise to return the cash if anything proved to be wrong would be fulfilled. Also, every representation made by Field in his enormous purchases for his business was accepted and relied upon. From the beginning of his business career, his promise at any bank where he was known would secure whatever money he needed. There was no exception to his honesty, nor any limit to the credit which he secured by reason of it. Anything Field advocated in civic affairs of his great city, in financial or other matters, the people generally would support.

J. Pierpont Morgan, who was at the head of the largest banking institution of its kind for many years preceding his death, which occurred in March, 1913, is another conspicuous example of an honest and truthful man. His testimony before the Pujo committee at Washington clearly disclosed his description and opinion of an honest man. Mr. Morgan, in considering the advisability of loaning even large sums of money, paid more attention to the character and reputation of the proposed borrower than to the collaterals which were offered as security.

Never in our past history have our young men and young women had such fine opportunities for success in business, and as always, everywhere, in every line and department of human activity, there is an abundance of room at the top. Each one should diligently struggle to reach it. It is up to every man and women to succeed or fail. There is no good excuse for failure.

Fire Prevention Education Should * * * * Start in Schools;--Sir Geo. Foster

By SIR GEORGE FOSTER,
President, Dominion Fire Prevention Association

I THINK, however, that as long as we have forests and as long as we have homes we shall have fires. We must take rather a long vision of this matter, and begin at the beginning. We should inculcate in children, in the home and as they pass through our schools the principal points in reference to fires. To do that would not add very much to the school programme.

School children come from homes which are liable to be burned at any time. Youths, as they grow up, go into the forests; they carry on the activities of the sportsman, and they have illimitable opportunities, by carelessness and otherwise, of contributing to the ultimate fire loss. It seems to me that amongst all the other things that are proposed to diminish the loss we ought not to leave out of it one consideration, namely, that for the future we should try to bring the coming generation to a realization of what is implied in this tremendous loss. In no place can that be done better than in the school, in the form of lessons or instruction, which would not necessarily be very extended or take up a great deal of time, but which would have the effect of fixing in the young mind the necessity for carefulness and the really imminent and vital danger which exists from fires, to human life as well as to property.

SPRINKLERS DO THEIR WORK

No one dreads a fire more than a manufacturer, and when his plant is burnt his trained workmen are thrown out of a job. The town immediately suffers on account of the circulation of the weekly pay roll from the factory being stopped.

Do manufacturers realize that conservation is of more importance to the country to-day than ever? Do they realize what fire prevention means?

Fires during 1918 in industrial plants numbered only 486, or 5 per cent. of the total number for the year; but these 486 fires caused a loss of $7,565,322, or 48 per cent. of the total fire waste of the Province.

In 1924 there were 415 fires under this classification, causing a loss of $5,626,240. In other words, less than 5 per cent. of the number caused 40 per cent. of the total loss, showing conclusively that it is the comparatively few fires in the industrial plants that are responsible for the big losses.

Cleanliness, order and forethought are important factors towards reducing this preventable waste. Manufacturers should provide better and more systematic inspection and watchman service, more efficient fire fighting equipment—chemical fire extinguishers and automatic sprinklers. In fifteen thousand fires, tabulated by the N.F.P.A., Boston, where automatic sprinklers were installed, 85 per cent. were put out by one sprinkler head. "One man's fire may bankrupt fifty."

WHERE CLERGY CAN HELP

The clergy can be of inestimable value in the fight against careless fires and the enormous loss of life resulting therefrom. A strong statement or reference should be made in every church on fire prevention and what it means. It would be a splendid and patriotic contribution to the conservation of our nation's resources.

If we were to consider that every fire is a crime in our country, as it is in some countries of Europe; and if those in whose homes, factories or places of business where fires originate should be held responsible for their acts when those acts result in injury to their neighbors, or are the result of gross carelessness, culpable neglect or mischievous intent, there would be fewer fires, the fire tax would be less, and Canada would be richer to the extent of millions of dollars every year.

Is Your Community Above or Below Average In Its Fire Loss Record?

(Continued from page 30)

MUNICIPALITY	Per Capita Loss 1924	1923	1922	1921	1920
Alberta—(Contd.)—					
Drumheller	2.17	8.24	3.20	0.48	Nil
Edson	17.17	10.70	0.96	4.08	Nil
Fort Saskatchewan	3.55	....	....	0.30	1.58
High River	0.38	0.11	0.12	0.42	2.02
Lacombe	25.79	1.05	0.87	12.50	Nil
Macleod	3.04	4.39	2.27	2.99	2.16
Magrath	2.25	Nil	11.63	Nil	Nil
Olds	2.62	Nil	87.08	Nil	Nil
Redcliff	4.87	12.59	9.13	4.77	9.72
Red Deer	2.67	6.68	1.61	0.33	3.28
Taber	10.82	15.63	0.04	0.09	0.76
Vermilion	4.50	6.34	6.39	5.50	Nil
Westaskiwin	2.17	6.80	42.51	6.63	0.94
British Columbia—					
Chilliwack	2.32	1.50	0.09	6.45	24.75
Cumberland	0.60	3.00	1.22	0.35	0.14
Duncan	0.08	5.29	1.25	0.36	1.80
Kaslo	0.02	1.31	Nil	....	....
Kelowna	2.60	0.69	4.34	57.81	6.30
Merritt	6.66	3.98	8.54	1.39	3.63
Port Alberni	3.76	1.11	1.72	84.38	12.52
Port Coquitlam	33.17	33.58	5.76	11.31	45.32
Port Moody	2.51	29.63	2.62	3.81	49.65
Prince George	3.08	0.88	1.78	2.49	0.23
Rossland	6.33	0.88	2.27	1.15	18.13
Trail	0.63	1.71	0.11	3.90	1.49
Vernon	16.23	2.63	0.34	0.28	3.50
Nova Scotia—					
Antigonish	1.70	0.13	0.75	4.33	0.36
Liverpool	4.46	13.11	65.51	14.18	15.47
Lunenburg	0.33	4.73	8.33	Nil	0.11
Parrsboro	2.75	4.52	4.11	16.87	1.16
Pictou	3.68	1.98	0.25	21.50	0.86
Trenton	5.72	0.56	3.68	9.67	3.76
Windsor	71.83	4.13	1.39	0.44	51.11
Wolfville	9.05	8.33	0.11	1.66	45.55
New Brunswick—					
Bathurst	25.66	16.76	....	....	....
Chatham	1.45	1.62	5.04	11.12	1.35
Dorchester	0.66	3.95	2.55	15.00	Nil
Edmundston	2.97	4.19	13.88	5.53	0.75
Grand Falls	10.23	16.07	5.15	0.50	0.30
Marysville	3.03	1.82	0.19	2.84	Nil
Milltown	34.97	4.45	1.57	....	....
Shediac	0.82	0.38	0.58	....	....
St. Andrews	0.30	5.56	2.30	....	....
St. George	3.30	6.80	18.33	2.00	Nil
St. Stephen	....	5.83	16.64	5.60	22.75
Sussex	13.63	111.13	74.51	2.03	0.96
Prince Edward Island—					
Souris	0.83	Nil	0.08	Nil	Nil

PYRENE FIRE FIGHTING DEVICES

Pyrene KILLS FIRE SAVES LIFE — Pyrene FIRE EXTINGUISHERS

Pyrene Fire Extinguishers

For Home, School, Summer Cottage, Motor Boat, Automobile, Truck, Tractor and Factory Protection.
Particularly effective on fires in Oils, Gasoline or Paints.
Safe for use on Electrical Fires.
Standard for Street Car, Power Station, Railroad Coach, Sleeping Car and Motor Bus Equipment.
Approved by Dominion Railway Commission, U.S. Steamboat Inspection Service, U.S. Bureau of Standards, U.S. Bureau of Mines and Good Housekeeping Institute. Approved and labelled by Underwriters Laboratories.
Will not freeze to 50 degrees below zero.
Use only PYRENE LIQUID. Other liquids will damage mechanisms.
Pyrene can be operated by women and children. It is the safest, surest and most dependable fire extinguisher made.

Prices on Application

Guardene Fire Extinguishers

Standard Soda and Acid Type (chemical) Extinguisher. Rated capacity, 2½ gallons.
Inspected and labelled by Underwriters Laboratories.
In the head is a cage holding bottle half filled with Sulphuric Acid. Tank is filled to water mark with solution Bicarbonate of Soda. Lead Stopper in bottle prevents acid from deteriorating.
To operate, turn upside down—lead stopper falls from bottle, allowing acid and soda solution to mix, which forms gas pressure and expels liquid. No danger—tested to 350 lbs. pressure.
Never use on electrical fires unless current has been turned off. Packed individually. Shipping weight, 20 lbs.

Prices on Application

Phomene (Foam Type) Extinguishers

Rated capacity, 2½ gallons.
Inspected and labelled by Underwriters Laboratories.
Operated by turning upside down—generates 20 gallons of fire blanketing foam.
Effective on fires in Oils, Gasoline, Paints, Varnishes, Lacquers, Enamels, etc., etc.
Recommended and approved for Garage and Filling Station protection.
Instructions on Name Plate—simple to operate—effective in hands of a novice.
Phomene Extinguishers are packed individually — shipping weight, 27 lbs.

Prices on Application

"Accurate" Five Gallon Pump Tanks

Fitted with heavy double action brass pump. Throws a continuous stream 40 to 50 feet. Charged with plain water for heated locations. For unheated locations Freeze Proof Compound is added to withstand temperature to 40 degrees below zero.
More effective than buckets or pails because stream can be directed and controlled. Nominal capacity 5 gallons—actual capacity unlimited where extra water is available, as tank may be refilled while being operated.
Inspected and labelled by Underwriters Laboratories.
Approved for protection of Warehouses, Freight Sheds, Lumber Yards, Camps and Forestry protection. Packed individually—shipping weight, 16½ lbs.

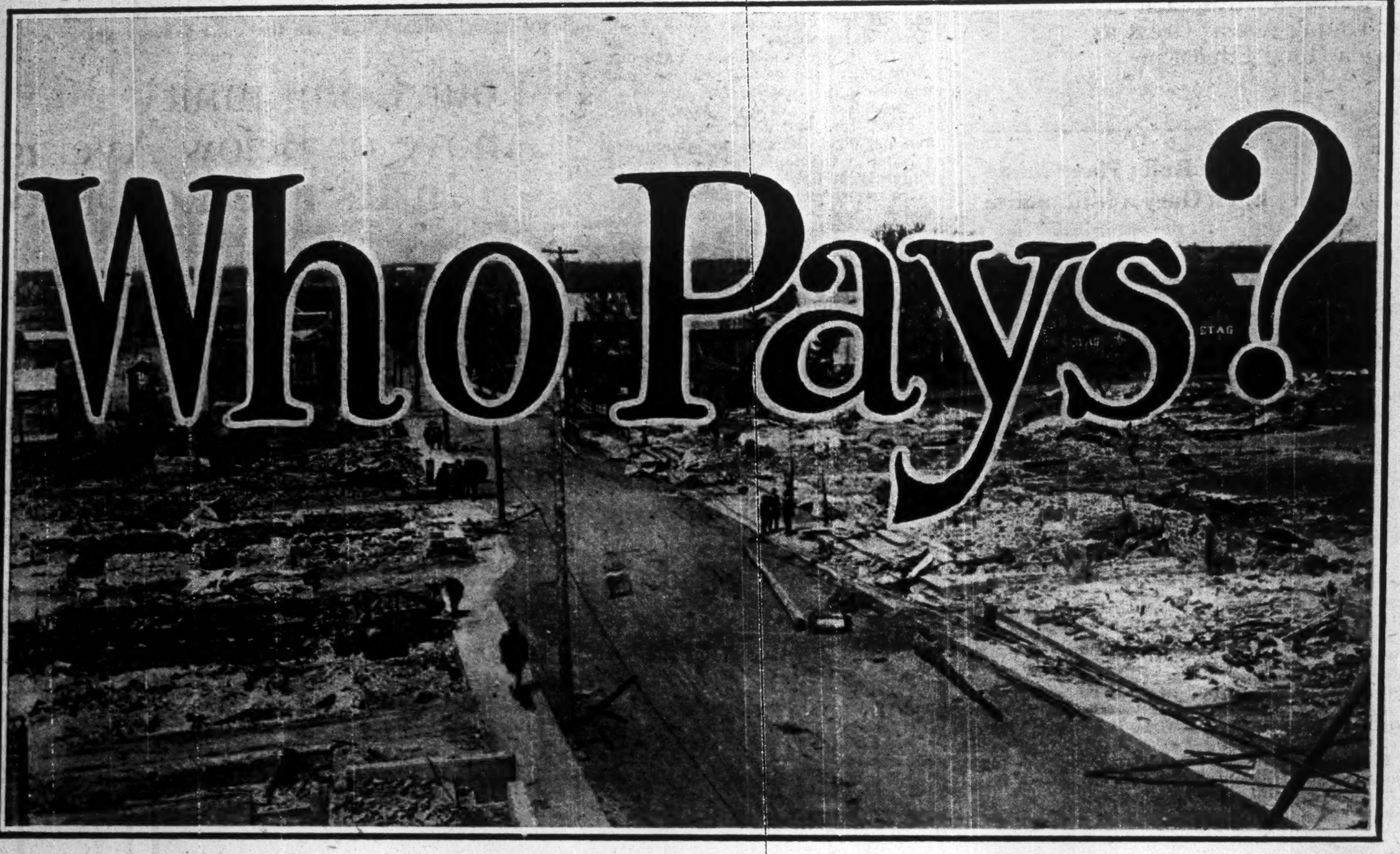
Prices on Application

MANUFACTURERS EXCLUSIVELY OF SAFETY DEVICES

Off 'n' on Tire Chains

PYRENE MANUFACTURING COMPANY OF CANADA - LIMITED 1197 KING ST. WEST, TORONTO

Chromine Radiator Anti-Freeze



Fires Cost Canada $100,000,000 a Year

FIRE costs Canada $100,000,000 a year. This is more than $10 for every man, woman and child in the whole Dominion. It is only a fraction less than we spend on education. It is a larger sum than the value produced by many of our important industries. It is almost as great as the total production of our mines. It is a colossal tax upon the nation's producers. It largely represents waste, and waste is a brake upon the wheels of progress.

In 1924, Canadian property valued at $45,906,531 was destroyed by 29,873 fires. This alarming sum does not include the incalculable loss from forest fires. Nor does it represent the total that Canada pays for fires. Other factors must be added, the cost of insurance and the cost of municipal and private fire protection. Last year, these brought the aggregate cost to $105,761,506, and year by year the total is about the same.

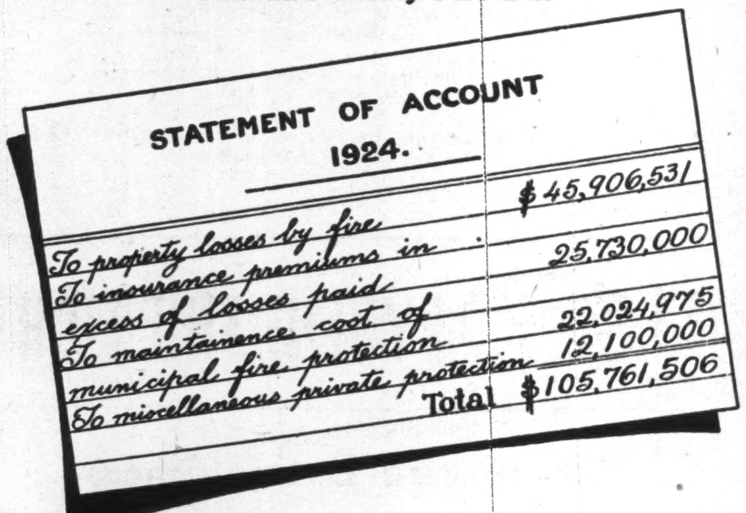
Every Canadian citizen pays a share of that tax. He cannot escape payment so long as he lives in Canada. He may pay it through an actual fire loss; he may pay it through higher insurance rates that a heavy fire loss ratio make necessary; he may pay it through increased taxation, lost working hours or decreased purchasing power in fire-swept communities. But somewhere, some time, either directly or indirectly, he foots the bill for fire.

Fire impoverishes Canada by wiping out of existence our factories, stores, institutions and homes. It burdens our people by imposing an unnecessary load upon their industry. National interest and individual welfare imperatively demand that the fire loss be curtailed.

Without question, the loss can be reduced. The burden can be removed. Not by legislation, for that has proven futile. But by the personal efforts of every Canadian citizen to prevent avoidable fires.

Eighty per cent. of the fires that break out in Canada are preventable. They are due to ignorance or neglect. Ordinary care and diligence exerted by every citizen to remove conditions that cause fires will reduce the annual toll.

Canada's Yearly Fire Bill



A moment's thought, a trifling extra effort will save millions of dollars and hundreds of lives from destruction by fire.

By Royal Proclamation, October 4 to 10 is Canada's Fire Prevention Week. Its purpose is to focus attention upon ways and means of reducing the unnecessary fire losses of the Dominion. It is the duty of every citizen to do his or her part to make Fire Prevention Week an occasion of special effort and then to extend the good work until every week in the year is a week of fire prevention.

The Royal Proclamation outlines some of the ways in which every citizen can assist. Emphasis is laid upon a thorough "Clean Up" as an important factor in preventing fires. Unclean and disorderly premises and communities are an invitation to fire. Every year thousands of fires are born in neglected chimneys, flues, furnaces, stoves and rubbish heaps. They feed upon accumulations of waste paper, boxes and litter. Cleanliness is the first rule of fire safety.

During Fire Prevention Week, every dwelling, private building, institution, store, warehouse and factory in Canada, together with their surroundings, should be carefully inspected. All conditions which lead to fire should be remedied. First-aid fire fighting equipment should be provided in every property. And all existing equipment should be thoroughly overhauled.

Community leaders, school teachers, business men and home-loving women should spread the gospel of safety from fire. Municipal building and fire prevention ordinances should be reviewed, amended and strengthened, and municipal fire fighting equipment, water supply systems, and fire brigade organization and personnel should be studied and made modern and efficient.

Fire Prevention Week is an unparalleled opportunity for national service. It is an obligation resting upon every man, woman and child worthy of being a Canadian citizen. Let us make Fire Prevention a definite daily thought and habit. So shall we save for Canada the lives, the money, the labour and the materials that fire destroys today.

A Decade of Fire Losses in Canada

Year	Property Loss	Per Capita
1914	$21,583,100	$2.69
1915	19,022,300	2.45
1916	23,116,200	3.00
1917	26,298,400	3.32
1918	33,870,000	4.12
1919	25,216,300	3.00
1920	28,081,200	3.27
1921	45,015,900	5.22
1922	54,390,000	6.20
1923	48,282,300	5.45
1924	45,906,500	5.10
Total	$370,782,800	$43.82

Proclamation

FRANK A. ANGLIN,
Deputy Governor General,
(L.S.)

CANADA

GEORGE THE FIFTH, by the Grace of God of the United Kingdom of Great Britain and Ireland, and of the British Dominions beyond the Seas, KING, Defender of the Faith, Emperor of India.

To all to whom these Presents shall come, or whom the same may in anywise concern,—

GREETING:

A PROCLAMATION

W. STUART EDWARDS, Deputy Minister of Justice, Canada.

WHEREAS it is shown by authoritative statistics that the amount of the average annual loss of insurable property by fire in Canada exceeds forty-five million dollars and that in addition more than three hundred and fifty persons annually lose their lives as a result of fire;

AND WHEREAS the waste thus occasioned, represented in terms of human life, money, labour, time and natural resources, cannot be recreated, but is an absolute and irrevocable loss largely distributed over the entire population through the agency of fire insurance which imposes an inescapable and burdensome tax upon industry and thrift and substantially adds to the cost of living;

AND WHEREAS it is shown by reliable statistics that at least eighty per cent. of the fires which occur originate either directly or indirectly through inexcusable ignorance and neglect and are therefore preventable and that the exercise of reasonable prudence and proper carefulness on the part of responsible individuals would reduce losses by fire in Canada to the comparatively insignificant proportions of losses in other countries;

AND WHEREAS economic and humanitarian considerations imperatively demand that human life and material resources in Canada be so far as possible conserved in order that the national prosperity may be maintained and that the general welfare of the people may be measurably increased;

AND WHEREAS it is desirable that the attention of the public be directed to the extent and underlying causes of the preventable loss of life and property by fire and to the best and most practicable means for its control and that a specific period of the year be set apart and properly designated for the dissemination of such information;

NOW KNOW YE that We, by and with the advice of Our Privy Council of Canada, have thought fit to appoint and do appoint the week commencing Sunday, the fourth day of October, and ending on Saturday, the tenth day of October, in this present year as "Fire Prevention Week," and We do recommend to all Our Loving Subjects that at some time during that week as may be found most practicable:—

1. All dwellings and their surroundings be carefully inspected by their occupants and all conditions likely to cause or promote the spread of fires removed.

2. All public buildings, stores, warehouses and factories be inspected and cleaned of rubbish in order to reduce fire hazards and maintain health and safety.

3. All hotels, theatres, asylums, hospitals and other institutional buildings be inspected and provision made for all changes necessary to protect the occupants from danger in the event of fire.

4. Fire drills be held for the children in all schools, for the inmates of all institutions and for the employees in all large stores and factories in order that a greater degree of safety may be ensured by acquainting the occupants with the best and most expeditious mode of exit in time of danger.

5. Special instruction on the subject of fire prevention be given by the teachers and by municipal officials in the schools and that such appropriate literature as may be made available be distributed to the pupils.

6. Boy Scout leaders give instructions to the troops under their control as to the best means of co-operating with municipal fire departments in the prevention and extinguishment of fires and especially as to the desirability of qualifying for the Fireman's badge.

7. All legislation and regulations enacted or issued by Dominion, provincial or municipal authorities dealing with fire prevention be given publicity by the municipal officials and that by public meetings or otherwise as may to them seem most fit, they endeavour to impress upon the citizens the national importance of safe-guarding life and property from loss by fire.

OF ALL WHICH Our Loving Subjects and all others whom these presents may concern, are hereby required to take notice and to govern themselves accordingly.

IN TESTIMONY WHEREOF, We have caused these Our Letters to be made Patent and the Great Seal of Canada to be hereunto affixed, WITNESS: Our Right Trusty and Well-beloved Counsellor, the Right Honourable FRANCIS ALEXANDER ANGLIN, Chief Justice of Canada and Deputy of Our Right Trusty and Well-beloved Julian Hedworth George, Baron Byng of Vimy, General on the Retired List and in the Reserve of Officers of Our Army; Knight Grand Cross of Our Most Honourable Order of the Bath; Knight Grand Cross of Our Most Distinguished Order of Saint Michael and Saint George; Member of Our Royal Victorian Order; Governor General and Commander-in-Chief of Our Dominion of Canada.

At Our Government House, in Our City of Ottawa, this Twenty-ninth day of July, in the year of Our Lord one thousand nine hundred and twenty-five, and in the sixteenth year of Our Reign.

By Command,
THOMAS MULVEY,
Under-Secretary of State.

DEPARTMENT OF INSURANCE
OTTAWA